

**Before the  
Federal Communications Commission**

**In the Matter of**

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**Protecting and Promoting the  
Open Internet**

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**GN Docket 14-28**

**Reply Comments of Publitas.com**

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## **Executive Summary**

We oppose the FCC's proposal. We believe that the Internet ought to be open and that the FCC's proposal closes it. We join the comments of startups, investors, nonprofits, and millions of Americans: we call for bright-line rules which prohibit blocking, technical discrimination, paid prioritization and access fees, and we believe that classifying broadband providers under Title II of the Communications Act is the only way for the FCC to enact those rules. We disagree with the comments by AT&T, Verizon, and Comcast.

## **I. Publitas Opens Print Catalogs to the Digital World**

Publitas gives retailers access to all the possibilities of e-commerce. We do more than simply digitize a catalog already in print. We optimize the catalog for search engines, enable the catalog to be easily shared on social media, embed videos and other interactive elements, and enable viewers to shop directly from the catalog.

I co-founded Publitas in 2007 in Amsterdam, and we have expanded to 10 employees since then. Over 300 retailers use Publitas, and our catalogs are seen by 14 million monthly users, 60,000 of which are in the US.

## **II. We Could Have Never Founded this Company Under the FCC's Proposal**

In 2007, the Netherlands offered very little support to startups, so I started Publitas with my own savings. I had \$15,000 savings, and that was enough to get Publitas off the ground.

Our big break came when we secured two big clients which led to more new clients and generated approximately \$1 million in revenue by the end of our first year.

But this amazing growth would have been jeopardized if the FCC's proposal had been in effect in 2007. In the first place, the FCC's proposal could have affected us despite the fact that our initial clients were based in the Netherlands, as America's tech policy is very influential abroad. If the FCC had enacted policies which infringed upon net neutrality, the Netherlands might have enacted similar ones. Second, as a co-founder of this company, I clearly could not have afforded to put us in a fast lane. We would have been exposed to slow and patchy service, and we might not have been able to secure the big initial clients that allowed us to survive.

## **III. The FCC's Proposal Threatens Our Company's Future**

Our business is data-intensive. Our users upload PDFs to Publitas, and they can then enrich the publications with interactive content. Often, we host 45 TB of finished digital catalogs

per month. We know how easy it is to lose customers because of loading times, so we've focused on creating the fastest digital publications possible. Since Internet users respond very negatively to even slight delays in loading digital content, our business would be seriously hobbled if we were in a slow lane.

Perhaps we could afford to put ourselves in a fast lane. But that would only limit our growth and slow our hiring--forcing us to divert money to pay rent to powerful ISPs.

We are even more seriously concerned about the prospect of exclusive deals forged between ISPs and some of our larger, better-funded competitors. We compete directly with large publishing and software companies. We've carved out a niche for ourselves by offering a great, easy-to-use product, for a low price. But new users would be deterred if our site consistently loaded more slowly or choppily than our competitors', and they certainly would not want to host their content with us if we couldn't deliver it well.

#### **IV. We Do Not Have an Army of Lawyers to Negotiate With or Sue ISPs**

We need the protection of bright-line rules. We cannot make do with the FCC's vague commercial reasonableness standard. We have no telecommunications lawyers on staff; big ISPs have hundreds at their disposal. We simply don't have the resources to fight a legal battle on the basis of presumptions.

We urge the FCC to enact bright-line rules which prohibit blocking, technical discrimination, paid prioritization, and access fees, applicable to both fixed and mobile connections, and to reclassify broadband providers under Title II of the Communications Act.

Respectfully submitted,

\s\ Guillermo Sanchez

CEO, Publitas