

ATIC Public Information Meeting on Net Neutrality -- September 20, 2007

REMOTE ATTENDEES

Included Bill Austin, Steve Peters, Deborah Dupée, Mike Keeling, representatives from AT&T, Arizona Public Health and others.

ON_SITE ATTENDEES:

Included Jon Adams, Ted Kraver, Galen Updike, Bob Denton, Ron Schott, Michael Cohen, Dave Evertsen and Oris Friesen.

Mark Goldstein introduced the topic of net neutrality and the panel members.

The Panel, Moderated by Mark Goldstein, International Research Center, consisted of:

- Christopher Smith, Manager of Government Relations for Cox Communications
- Bob Rosenberg, R.G. Rosenberg & Associates and Tech Lobbyist
- Al Sterman, Arizona Consumers Council (ACC)
- Jaime Casap, Arizona Site Manager for Google

Al Sterman: Is the net a commodity? A communications device? Or something different, as the FCC claims. Do we need gatekeepers? The net grew from 2 monopolies: AT&T & the Cable companies (who gained monopoly status in their service areas. Today you have a monopoly or duopoly (as in Phoenix). What about wireless? Should everyone be serviced at the same speed and at the same price?

My answer is that **Net Neutrality is a necessity for the system to work equally for all.**

Christopher Smith: I am not an expert – am an explorer. I will try to avoid hyperbole, such as, for example, Al Gore feels it is one of the most important issues for the survival of our republic. What is the Internet? It is usually represented graphically by a cloud. It is made up of a series of independent inter-connected networks. What is Net Neutrality? On an open & neutral network, the networks do not discriminate about what the packets are carrying or where they come from. Some network owners it is feared may try to recoup some of the costs of transmission based on charging the content creators for what they are transmitting. Vint Cerf has said that the net has traditionally been free of “discriminately” based charges. Cyberspace has essentially been democratized. The fear is that with increasingly scarce bandwidth the carriers will kill off the less powerful net citizens.

On the other hand, Cox and other private owners view their networks to be a result of independent investment. Ed Whitaker of AT&T is violently opposed to “free riders.” The concern is that net neutrality would limit ability of carriers to charge “edge” companies according to their higher volumes of usage. The irony is that edge companies already employ techniques to speed up their content transmission to users. The risk of unintended consequences is high. Also, all packets are not created equal – voice transmission, for example. **Free market can sort out the issues better than can government regulation.** [Much of what I have said is derived from Taylor Young, who used to work for Cox.]

Bob Rosenberg: Mentioned Dave Farber, who agrees that Al Gore was instrumental in getting funds to keep the Internet alive in its infancy. Bob Frankston favors net neutrality because bits are just bits. Innovation takes place at the edges of the network. If permission is required to do something, then innovation becomes impaired. Operation of a fiber network can be cheaper than operating a copper network. For example, water does not affect fiber-glass. Verizon is now capitalizing on their fiber investment, which was roundly criticized at the time. Some were concerned when Berners-Lee put the worldwide web on top of the Internet, because no one could see what the revenue model could be. DDOS attacks are a valid concern but that is a law enforcement issue & does not require distinguishing between good bits and bad bits. **We can have packet neutrality without resorting to the use of “absolute” neutrality.**

Jaime Casap: Google favors net neutrality. 14% of the world is online now. So network capacity will be MUCH more limited in the future than now. We want to allow service providers and content providers to make a profit. Google could afford to pay imposed fees. **However, we favor a fair playing field,** in order to allow innovators to create and share it with the world. We don't want them to be inhibited from launching their idea by fees and charges. Google wants to get you OFF of our website as quickly as possible. We don't want providers to fail, but we also don't want to inhibit innovation.

Random gleanings from the Q&A Session:

- What about the user community? If we do not have net neutrality, will you charge us more for the pipes coming into our homes & schools?
- Net neutrality is NOT new – we had it until 2005, but Congress did not renew it. What happens to the individual who has enough money to get on, but not enough to pay the additional fees? Who pays?
- Will prices continue to ramp down as technology improves?
 - Christopher: All my remarks were customer-centric. So that includes schools. It would be harder for us to meet those needs under net neutrality. We question whether net neutrality is a fair playing field.
- If I want 100 Mb/sec I will negotiate a best deal and pay for it. Then as a consumer I pay for it again. Everybody pays for the usage of the Internet. We will never get it for free. How do you reconcile statements that the carriers are running out of money with the obvious fact that we are paying for it?
 - Christopher: we just feel that price points should be determined by free market & not regulation.
- Jaime: We want a level playing field AND an assurance that providers will not impede traffic for certain users as opposed to other users who pay a lower tier of fees.
- The decision maker for net neutrality will not be the USA – it will be a **global & international** decision.
- There is a **brittleness** in the Internet that is causing things to break before they can be implemented – an infrastructure issue.
- There is a **digital divide** today – rural vs. urban. I would hate to see that be ignored.
 - Jaime: Every country has laws that prohibit certain content on the Internet. Rural access is a problem – Google doesn't care about computers, we just want to organize the world's information – is at least a 300 year job.