

# Net Neutrality

In Washington, D.C., no issue in the past year has generated more attention and debate in the tech and telecom world than the issue of net neutrality. And for good reason ... it's about the future of the Internet.

Net neutrality is the concept that broadband Internet service providers should treat all traffic on their networks equally and that carriers should not block or slow access to content to benefit their own services over their competitors. While everyone seems to support an "open Internet", there is wide disagreement on how to legally ensure that the Internet remains free.

Sprint jumped into the debate, taking a different side than our major competitors. Here is a little about what you need to know.

## How did previous Net Neutrality rules work?

In 2010, the Federal Communications Commission (FCC) established rules to protect consumers from discrimination and to keep content from being blocked. Those rules had more obligations for wireline carriers, recognizing that wireless broadband was more competitive and earlier in its development than fixed broadband. Thus, wireless companies needed more flexibility to manage their unique networks. Sprint supported the 2010 rules.

## Why are we hearing so much about net neutrality now?

Disagreement over the FCC's authority to regulate data services persisted. In January 2014, the U.S. Court of Appeals for the District of Columbia Circuit sided with Verizon and overturned most of the FCC's rules, indicating that the FCC did not have the legal authority to craft the rules in the manner in which it did. The court then passed the task back to the FCC to consider new rules. During the ensuing rule-making process, over 4 million Americans contacted the agency on the issue.

President Obama and key Democratic congressional leaders are urging the FCC to reclassify broadband Internet access as a telecommunications service under Title II of the Communications Act – the provision of the act that contains items typically applied to telephone services. Certain congressional leaders, supported by AT&T, Verizon, T-Mobile and Comcast, oppose the FCC's attempt to use Title II authority to regulate broadband. They are promoting legislation to regulate carrier behavior while clarifying that the FCC cannot use Title II or other authority contained in Section 706 of the act to regulate broadband. They claim this FCC action would harm investment and deployment of new services.

The FCC plans to vote on its proposal in February, and congressional leaders are working to pass legislation.

## What is Sprint's position on the issue?

On Jan. 15, Sprint Chief Technology Officer Stephen Bye sent a letter to FCC Chairman Tom Wheeler questioning the argument of the large telecom companies, including AT&T and Verizon, that FCC oversight of broadband services under Title II would suppress investment and harm innovation. Sprint's pro-consumer perspective has been widely reported in news outlets across the country, and senators and representatives have brought it up at congressional hearings. Here are the highlights of Sprint's position that Bye spelled out in his letter:

- An open Internet has benefited consumers and businesses alike. It has enhanced U.S. productivity and global competitiveness.

- Sprint has always believed that competition, not regulation, will provide consumers the best mobile services at the lowest price.
- The FCC can further promote competition by providing mobile carriers with the flexibility to manage our networks and differentiate our products and services.
- Sprint competes every day to offer consumers a great value in wireless with innovative services, pricing offers and a consistent and reliable network.
- Sprint has a history of embracing openness and will continue to invest in data networks, regardless of whether regulations are under Title II, Section 706 or some other light-touch regulatory structure.

Regardless of the outcome, Sprint has established itself as a unique and aggressive voice in this debate, and we will continue to advocate for positions that promote competition, innovation and an open Internet.