

## **FTC Stance Against Rules Cheers Broadband Firms**

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There is no need for federal rules safeguarding the flow and speed of information on the Internet because there's no evidence of market failure, Federal Trade Commissioner Deborah Platt Majoras said yesterday.

Her comments on the hotly debated topic of "net neutrality" were immediately seen as a setback for content providers like Google Inc., eBay Inc., Yahoo Inc. and Amazon.com Inc. and a victory for the large telephone and cable television companies that own the networks that carry Internet traffic. Companies such as AT&T Inc., Verizon Communications Inc., Comcast Corp. and Time Warner Cable Inc. have long argued there is no need for regulation in this area.

Ms. Majoras, citing a report approved by all five commissioners and released yesterday, said that existing antitrust laws and consumers' ability to register complaints about Internet service is sufficient to safeguard network neutrality. "To date we are unaware of any significant market failure or demonstrated consumer harm from conduct by broadband providers," Ms. Majoras said. "Policy makers should be wary of enacting regulation solely to prevent prospective harm to consumer welfare, particularly given indeterminate effects on such welfare of potential conduct by broadband providers."

Tom Tauke, Verizon's executive vice president for public affairs, welcomed the FTC report. "Proposals to impose new regulation actually threaten further advancements in broadband Internet connections," he said in a statement. "That hurts consumers by denying them new and better services."

But some content providers have argued that without rules, network providers will favor their own content in the future, leaving consumers with fewer options.

Paul Misener, vice president for global public policy at Amazon, said the FTC report wasn't surprising and that the Federal Communications Commission is the agency that should protect net neutrality for consumers. "Consumers will demand that Congress force the FCC to act on any net neutrality violations," he said.

FCC Chairman Kevin Martin is known to share Ms. Majoras's skepticism over the need for regulations. Just last week, he said there was no evidence of abuse in the network-neutrality area.