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In November, the White House's top economic adviser dropped by the Federal Communications Commission with a heads-up for the agency's chairman, Tom Wheeler. President Barack Obama was ready to unveil his vision for regulating high-speed Internet traffic. The specifics came four days later in an announcement that blindsided officials at the FCC. Mr. Obama said the Internet should be overseen as a public utility, with the "**strongest possible rules**" forcing broadband providers such as AT&T Inc. and Verizon Communications Inc. to treat all Internet traffic equally.

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The president's words swept aside more than a decade of light-touch regulation of the Internet and months of work by Mr. Wheeler toward a compromise. On Wednesday, Mr. Wheeler lined up behind Mr. Obama, announcing proposed rules to ensure that the Internet "remains open, now and in the future, for all Americans," according to **an op-ed by Mr. Wheeler** in Wired.

The prod from Mr. Obama came after an unusual, secretive effort inside the White House, led by two aides who built a case for the principle known as "net neutrality" through dozens of meetings with online activists, Web startups and traditional telecommunications

companies. Acting like a parallel version of the FCC itself, R. David Edelman and Tom Power listened as Etsy Inc., Kickstarter Inc., Yahoo Inc.'s Tumblr and other companies insisted that utility-like rules were needed to help small companies and entrepreneurs compete online, people involved in the process say.

In an office on the fourth floor of the Old Executive Office Building, some companies claimed they would have never gotten off the ground if they had been forced to pay broadband providers. "We want to compete on product and service, not on our ability to negotiate preferable treatment with an Internet service provider," said David Pashman, general counsel for Meetup Inc.

The big losers in the White House process were cable and phone companies, which spent years lobbying to gain support for their view that toughened rules would make it harder for them to offer new kinds of services. Executives who tried to go over the two aides' heads, including by appealing directly to Valerie Jarrett, Mr. Obama's senior adviser, got nowhere. Mr. Wheeler wasn't available for comment Wednesday. Senior

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FCC officials say he was always open to shifting his position and became convinced that the tougher stance advocated by Mr. Obama wouldn't discourage broadband companies from upgrading their networks.

White House spokesman Josh Earnest said Wednesday that the White House was "encouraged to see that the FCC is heading in the same direction of safeguarding net neutrality with the strongest possible protections." He added: "This is consistent with the view that the president articulated back in the fall." While Mr. Obama's position stunned officials at the FCC, he wanted to push for strong rules ensuring net neutrality right after his 2008 election over Sen. John McCain (R., Ariz.). The FCC's chairman at the time, Julius Genachowski, supported Mr. Obama and aimed to write strong rules preventing broadband providers from making some websites work faster than others for fees.

But Larry Summers, then the Obama administration's chief economic adviser, and other officials urged the president to focus his attention on the turbulent economy, former White House officials say. "I've always supported net neutrality, but I have been very concerned and remain very concerned about overly heavy-handed approaches to net neutrality that I believe could choke off substantial volumes of productive investment to the detriment of American economic growth," Mr. Summers says.

Mr. Genachowski went ahead with FCC rules that were weaker than those proposed Wednesday, but they were thrown out in January 2014 by a federal appeals court. The court said the FCC couldn't impose the rules because it had explicitly decided previously not to classify broadband as a telecom service. The ruling sent the question of how to regulate the Internet back to the FCC, where Mr. Wheeler became chairman in November 2013. The former cable- and wireless-industry lobbyist sought a compromise. People familiar with his thinking say he didn't want to regulate broadband companies in the same way that phone companies are regulated. Mr. Wheeler also wanted to leave some room for broadband providers to explore new business models, including accepting payments from content providers. That could allow broadband companies to offer free or cheap services.

Broadband companies generally liked the FCC chairman's approach, but net-neutrality die-hards quickly started mobilizing against it. Last April, Marvin Ammori, a lawyer who advises startups and Web companies, warned in a meeting at Tumblr's headquarters in the Flatiron District of New York City that Internet regulation was a do-or-die necessity for small firms. The FCC soon proposed rules allowing broadband providers to charge companies a premium for access to their fastest lanes, as long as such arrangements are available on "commercially reasonable" terms for all interested content companies. "Commercially reasonable" would be decided by the FCC on a case-by-case basis.

Officials at some Internet startup companies decided they had to fight the proposal but didn't know where to start. Mr. Ammori recalls that some officials asked if they needed to register as lobbyists to meet with regulators and lawmakers. They didn't. Mr. Wheeler resisted stronger rules. At the same time, Mr. Ammori tried to build wider public support for net neutrality. Last May, he spoke with a researcher for "Last Week Tonight with John Oliver," the HBO comedy series. On June 1, Mr. Oliver unleashed [a 13-minute rant](#) in an episode of the show, comparing Mr. Wheeler to a dingo and encouraging viewers to bombard the FCC with comments. The deluge crashed the FCC's online comment system. Overall, the agency got more than four million comments on last year's rule proposal.

Mr. Wheeler was open-minded about the concerns of online activists and Web startups, people close to him recall, holding meetings in Silicon Valley and New York to hear objections to his plan to allow some preferential treatment for Internet traffic. Before one meeting, Mr. Ammori advised technology executives to share personal stories of how an open Internet helped them create their companies. They were discouraged when the FCC chairman opened the meeting with a sales pitch on his approach and why it would protect net neutrality, according to people who attended the meeting.

Mr. Wheeler ran into stiff resistance at a July 2014 meeting at the New York office of online crafts marketplace Etsy. Before the meeting, Mr. Ammori wrote a 10-page memo detailing the legal arguments against Mr. Wheeler's approach—and gave copies to executives set to meet with him. In a lucky coincidence, Tumblr Chief Executive David Karp, who attended the meeting in New York, found himself seated next to Mr. Obama at a fundraiser the following day hosted by investment manager Deven Parekh. Mr. Karp told Mr. Obama about his concerns with the net-neutrality plan backed by Mr. Wheeler, according to people familiar with the conversation. Those objections were relayed to the White House aides secretly working on an alternative.

Mr. Edelman, who turned 30 years old on Wednesday, had previously spent four years at the State Department, starting as an analyst specializing in northeast Asia, and was finishing his doctorate in international relations from Oxford University. Mr. Power is a longtime telecom lawyer and White House official who took his first job at the FCC in the 1990s. Messrs. Edelman and Power started working on the White House plan last spring. As their work progressed, aides began summarizing the arguments for net neutrality in allegorical terms. For example, the White House aides said, imagine calling the operator for a phone number for car-rental company Avis and being asked whether you would prefer Hertz. Officials told participants not to discuss the process openly.

A generational shift, including the departure of Mr. Summers, left behind a younger, tech-savvy staff inclined to favor Web companies over telecommunications firms. Senior White House officials like Jeffrey Zients, director of the National Economic Council, were primarily concerned about the potential economic impact of changing the rules. As rumors swirled last fall that Mr. Obama was preparing to call for tougher Internet regulations, Comcast Corp. CEO Brian Roberts called Ms. Jarrett, pressed her for information and urged the White House not to go through with the move, people familiar with the matter say. She offered no help, these people say. Google Inc. Executive Chairman Eric Schmidt spoke with White House officials, urging them not to go through with utility-like rules.

Google, Facebook Inc. and other large Internet companies expressed support for net neutrality through the Internet Association, a trade group, but were largely on the sidelines during the White House process. On Oct. 21, the White House invited chief executives of Tumblr, Etsy, Kickstarter, and IAC/InterActive Corp.'s Vimeo video platform to the West Wing for a meeting with Mr. Zients, top White House economist Jason Furman and other senior aides.

For more than an hour, White House officials questioned the CEOs gathered in the Roosevelt Room about why net neutrality was so important to them, according to people who attended the meeting. Chad Dickerson, Etsy's chief executive, replied that nearly nine of every 10 Etsy sellers are women, many earning a living from selling on the website. Kickstarter and Tumblr executives said treating Internet traffic equally was crucial to thousands of people who built businesses on their platforms. While Obama administration officials were warming to the idea of calling for tougher rules, it took the November elections to sway Mr. Obama into action.

After Republicans gained their Senate majority, Mr. Obama took a number of actions to go around Congress, including a unilateral move to ease immigration rules. Senior aides also began looking for issues that would help define the president's legacy. Net neutrality seemed like a good fit. Soon, Mr. Zients paid his visit to the FCC to let Mr. Wheeler know the president would make a statement on high-speed Internet regulation. Messrs. Zients and Wheeler didn't discuss the details, according to Mr. Wheeler.

Mr. Obama made them clear in a 1,062-word statement and [two-minute video](#). He told the FCC to regulate mobile and fixed broadband providers more strictly and enact strong rules to prevent those providers from altering download speeds for specific websites or services. In the video, Mr. Obama said his stance was confirmation of a

long-standing commitment to net neutrality. The statement boxed in Mr. Wheeler by giving the FCC's two other Democratic commissioners cover to vote against anything falling short of Mr. Obama's position.

That essentially killed the compromise proposed by Mr. Wheeler, leaving him no choice but to follow the path outlined by the president. In his op-ed Wednesday, Mr. Wheeler wrote: "I am submitting to my colleagues the strongest open Internet protections ever proposed by the FCC." – *Wall Street Journal*

Listening to large cable and phone companies might lead some people to conclude that the Federal Communications Commission is about to unleash the technological equivalent of the bubonic plague upon the Internet, or what some are calling "utility regulation." Don't believe the hype. Tom Wheeler, the chairman of the F.C.C., has written a column for Wired reminding people that what the telecommunications industry fears – common carrier regulation – has played a vital role in the growth of the Internet.

In brief, a company designated as a common carrier can't engage in unjust and unreasonable discrimination. (Lots of businesses fall into this category including phone companies, hotels and airlines.) Under that principle, the F.C.C. in the late 1960s ordered AT&T, then a regulated monopoly, to allow users to attach devices not made by the company to its networks. One of those devices was the Carterfone, which allowed people to connect their landlines to two-way radios. This decision eventually led to more detailed F.C.C. rules, which, in turn, made it possible for AOL and others to offer dial-up Internet service.

Now the F.C.C. appears poised to say that broadband Internet service should also be treated like a common carrier, at least to an extent. Mr. Wheeler wants to do this to prevent cable and phone companies like Comcast and Verizon from blocking or slowing down content requested by their customers.

This is a smart, new use of an age-old concept that remains valid. Broadband companies wield enormous power over their users. Most Americans have just one or two choices for high-speed Internet service, so they cannot easily switch providers. Mr. Wheeler is also being sensible in not trying to impose all the rules that he could. He has already said, for example, that the F.C.C. will not try to regulate prices for Internet service even though that's within the commission's power. The F.C.C. will vote on Mr. Wheeler's proposal on Feb. 26. The F.C.C. is not about to destroy the Internet. – *New York Times opinion*

The idea that the federal government would approach Internet regulation with a "light touch" portrays a benevolent picture. The Federal Communications Commission would use only a few of the levers available under a new regulatory scheme designed for old-style telephone utilities. The aim would be to ensure everyone who uses the Internet has access to equally fast service.

And that all sounds great. But there is no guarantee that the "light touch" won't morph into a heavier hand in the future. That's certainly possible if FCC Chairman Tom Wheeler's plan to reclassify high-speed Internet as a telecommunications service, not an information service, moves forward. Sure, there are no plans at this point to include price controls in the regulatory scheme, which the new classification allows. But who's to say that won't change if a single broadband provider does something outlandish, or a new administration decides pricing ought to look differently?

Our concern is, and has been, that heavier regulation under Title II of the Communications Act, which originated during Franklin Roosevelt's first term, would needlessly hamper a successful platform for commerce and communication. And even though the act was substantially updated in 1996, that too was a different era when it comes to the Internet. Cramming broadband into a regulatory structure meant for other

forms of communication could stifle innovation and hold back investment.

A broadband provider should be able to build faster delivery options and charge more to use them. Without that ability to recoup investment, what incentive is there to create new systems? The puzzling element to this idea of increased regulation, pushed by President Obama, is that there has been precious little in the way of bad behavior on the part of broadband providers to prompt intervention. Meddling in this success story is unwarranted and economically perilous. – **Denver Post editorial**



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