

For Immediate Release

## **INCOMPAS Blasts FCC BDS Reversal as a Competition Killer**

### **Calls for New Data Review to Show Market Consolidation Impact**

WASHINGTON DC (March 30, 2017) – Today FCC Chairman Ajit Pai introduced a radically different proposal for business broadband, also known as business data services (BDS), that threatens to reduce competition and raise prices on broadband lines used by small businesses, schools, hospitals and libraries.

**In response, Chip Pickering, CEO of INCOMPAS, the internet and competitive networks association, released the following statement:**

“This is a competition killer pure and simple. Chairman Pai is taking an already broken broadband market, where 86 percent only have one choice for services at 50 Mbps and below, and making it worse. Based on past experience, this proposal will slap on average a 25 percent broadband price hike on small businesses, and a hidden monopoly tax on American businesses and consumers who will pay more every time they use an ATM machine or gas pump.

“This is crony capitalism that favors broadband giants, is anti-business, and kicks consumers. Pai’s proposal is the exact opposite of the pro-competition doctrine championed by the Trump Administration and promoted by Republican leaders on Capitol Hill who have made increasing competition central to health care, insurance and education reform. One-third of the counties in the U.S. have only one health care provider. The business broadband market is even worse where more than three-fourths of business locations have only one provider.

“As the Chairman’s proposal is a radical departure from the Commission’s BDS notice, we believe it deserves a full public comment period and an updated open and transparent review of the data taking into account recent market consolidation that impacts business customers from significant competitive providers, including Level 3, XO Communications, and EarthLink.

“The Chairman’s proposals are out of order. On the one hand, he wants to reduce barriers to entry and lower the costs of new network deployment. On the other hand, his BDS proposal will increase the cost of deploying fiber and 5G infrastructure. Deployment and competition should come first. Consumers want real choice, real competition and lower prices.”

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**About INCOMPAS:**

INCOMPAS, the Internet and competitive networks association, is the leading trade group advocating for competition policy across all networks. INCOMPAS represents Internet, communications, streaming and technology companies large and small, advocating for laws and policies that promote competition, innovation and economic development. Learn more at [www.incompas.org](http://www.incompas.org) or follow us on Twitter: @INCOMPAS @ChipPickering

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