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INCOMPAS: Big Telecom’s “Competition Cut Off” Will Freeze Deployment, Raise Prices

Opposes USTA Petition to FCC that would hurt Competition in Broadband Market

WASHINGTON, D.C. (May 4, 2018) – INCOMPAS, the internet and competitive networks association, who represents a number of broadband builders, blasted a new effort by the nation’s largest telecom companies who are seeking to cut off wholesale network access. This move will slow down network deployment and raise prices for residential consumers and business customers.

A petition filed today at the Federal Communications Commission (FCC) by large, incumbent telecoms’ trade group, the United States Telecom Association (USTA) would allow incumbent providers to escape their obligations under Section 251 of the Communications Act requiring them to provide wholesale access to unbundled network elements (UNEs). UNEs offer a means of competitive entry that spurs fiber build and innovation.

Such a move will impact both residential and business customers, cutting off innovative competitors which will result in higher prices for business customers and curtailing millions of dollars in fiber deployment.

Chip Pickering, CEO of INCOMPAS, released the following statement:

“Big telecom’s ‘competition cut off’ will freeze broadband deployment and burn consumers and small businesses with higher bills. Cutting off access and kicking the little guy where it hurts is a brazen move, and we urge the FCC to reject the measure outright.

“The facts are clear, where smaller competitors have access and are deploying new networks, big telecom incumbents are forced to upgrade their service and lower prices. USTA’s petition delays the future and will incentivize large incumbent telecom providers to raise rates on older, slower lines for much longer.

“Wholesale access is a critical bridge to fiber construction and infrastructure investment. The FCC has fully endorsed a broadband deployment agenda to help bring faster speed, lower cost networks to all Americans, including underserved rural communities. Cutting off competition and eliminating a wholesale market that incentivizes new fiber deployment runs counter to the FCC’s goals, and we encourage the Commission to reject the petition.”

About INCOMPAS

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