INCOMPAS on BDS Decision: No One Wants a Broadband Monopoly, Duopoly

WASHINGTON, D.C. (August 28, 2018) – Today, the United States Court of Appeals for the Eighth Circuit handed down a ruling on the 2017 Federal Communications Commission (FCC) Order that deregulated almost all of the business data services (BDS) market. The Court largely ruled in favor of the FCC, but it remanded one issue to the agency for failure to provide sufficient notice.

INCOMPAS intervened in the case, arguing that one or two providers in a given market is insufficient competition for the Commission to deregulate.

Angie Kronenberg, Chief Advocate and General Counsel of INCOMPAS, released the following statement in response:

“In no world is one or two broadband providers sufficient competition – we call that monopoly and duopoly for a reason. The court’s decision does not change the fact that competition remains the law of the land.

“While the court deferred to the expert agency’s review of the evidence and the FCC’s prediction that more competition in the BDS market would be coming, we urge the agency to follow through with a complete analysis of the market in two years. To do so, the Commission needs to ensure it is collecting the right data, which is why INCOMPAS is advocating for reform to the FCC’s Form 477 collection to ensure BDS data is sufficient. INCOMPAS believes that at least three providers offering service over their own last mile facilities are necessary for sufficient competition for fixed broadband.

“In light of this decision, it is more important than ever to ensure competitive providers who are deploying new, future networks have access to points of market entry in order to spur further competition. This is why it is critical for the FCC to reject a USTelecom Petition that would cut off competitive providers from legacy network infrastructure they utilize as a bridge to broadband deployment. Two recent economic studies by INCOMPAS show that competitive providers use the bridge to broadband to reduce substantial barriers to their own fiber deployment. They are building more fiber, in more places than the large incumbents, while bringing consumers and businesses faster speeds, better service, 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, 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 @ChipPickering