

Unit 1 Milestone #4 Net Neutrality

What is Net Neutrality?

It is a philosophy that has been used since the inception of the Internet.

1. The idea that no one controls the Internet
2. Consumers have the ultimate control on deciding between content, applications and services available anywhere- no matter who owns the network
3. There is no middleman

Who pays for all this?

1. Consumers pay access to Internet need a ISP- pay a monthly fee
2. Content providers pay for size and bandwidth requirements

Battle over philosophy of the Network

Two groups:

Pro-Net Neutrality-Supporters or Proponents of Net Neutrality: tech companies that specialize in Web-related content and technology, they propose rules that would keep the Internet free from discriminatory pricing.

GOOGLE, Yahoo, Intel, Microsoft

Pro-Net Completion-Opponents: phone and cable companies that run the network shuttling information from one place to another. Oppose regulation of the Internet.

AT & T, Verizon, Comcast

Why the talk of Net Neutrality Now?

1. Telecom like AT&T, Verizon and Comcast spend billions to upgrade and fix the infrastructure of the Networks

How do they current pay for maintenance and upkeep?

1. Monthly fees from consumers/ phone bills, broadband month charges
 2. ISPs pay to access the lines
3. In 2005, the FCC deregulated the broadband market-giving telecommunication companies' freedom to charge Internet companies different rates for different levels of network service- For example: content providers of movies, video who use a lot of bandwidth- they would be required to pay more because they use more bandwidth
 - a. If telecom can't pass on some of the cost of installing more cable and running more bandwidth-intensive applications, such as streaming video and audio, top popular destinations for such activities, the cost will inevitable come to rest on consumers' shoulders, says Cleland

- b. Telecoms want use a “tiered pricing plans” that favors some Web traffic or sites over others.

“According to the [Washington Post](#):

William L. Smith, chief technology officer for Atlanta-based BellSouth Corp., told reporters and analysts that an Internet service provider such as his firm should be able, for example, to charge Yahoo Inc. for the opportunity to have its search site load faster than that of Google Inc.

He's not alone. Ed Whitacre of AT&T told [Business Week](#) last fall:

Now what they would like to do is use my pipes free, but I ain't going to let them do that because we have spent this capital and we have to have a return on it. So there's going to have to be some mechanism for these people who use these pipes to pay for the portion they're using. Why should they be allowed to use my pipes?

As Verizon's Ivan Seidenberg told the [Wall Street Journal](#):

We have to make sure they don't sit on our network and chew up our capacity. We need to pay for the pipe.

- 4. Telecom want no government control over pricing – they believe that the free marketplace will take care of the concerns
 - a. *“Consumers will benefit from competition between cable and telecommunications Internet service providers. It's competition, coupled with the potential economic benefits of serving high-speed Internet to more consumers, that spurred ISPs to develop faster connections enabling consumers to take better advantage of the user-generated content, video, and social networking sites that have exploded on the Web.” (Holahan, C, 2007)*
 - b. Choice of broadband in expanding
 - i. 81% of US zip codes have 3 or more broadband choices (up from 61% in 2003 and 32% in 2000)
 - ii. 21% of zip codes have more than 10 choices
 - c. Competition
 - Broadband has competition from Wireless
 - T-Mobil has 8,000 WiFi hot spots in US

“The goal of telecomm is to keep the Internet free of regulation so that the continued growth and innovation in new services will happen and not be stifled” according to Brian Dietz, a spokesman for the National Cable and Telecommunications Assn.

Why supporters of Net Neutrality are fighting the “tiered Pricing Plan”?

- 1. Innovators of content might not be able to afford the price of entry to the web. The Internet has thrived because revolutionary ideas like blogs, Wikipedia or Google

could start on a shoestring and attract huge audience. Without NetNeutrality, the pipeline owners will chooses the winners and losers on the Web..

2. Independent voices and political groups may be vulnerable
 - a. Cost may increase for people wanting to post a vlog or audio clip
3. Pay-for- Speed
 - a. The consumer might have to buy premium services to have faster speeds.
4. The internet would be like cable TV.
 - a. Network owners will decide which channel, content and applications are available. Consumers have to choose from their menu.
5. Could web sites be blocked by telecomm? Opponents say there is no evidence of broadband providers blocking content.
 - b. Proponent site several examples of Corp Censorship
 - i. 2004- North Carolina ISP blocked their DSL customers from using any rival Web-based phone service
 - ii. April 06 Time Warner's AOL blocked all emails that mentioned www.dearaol.com- an advocacy campaign opposing the company's pay-to-send e-mail scheme.

What is unclear is how phone and cable companies might set pricing for Internet access.

1. Some companies may want to reserve enough high-speed capacity to ensure they can deliver quality television service to customers(enabling them to compete with cable companies that have moved into telecom turf with digital phone and internet plans)

More extreme plans might be

1. Telecoms introduce everything from their own user-generated video service to search engines,
2. Stifling competition by relegating outside services to slower, more crowded connections.

Pro Net Competition:

NetCompetition.org	group representing telecommunications companies, cable providers and others against Net regulations
Hands off the Internet	
US Internet Industry Ass.	
Internet Freedom Coalition	

Pro Net Neutrality:

SavetheInternet.com	coalition concerned about maintaining a free and open Internet.
MoveOn.org	

Center for Digital Democracy

Supporters:

Amazon.com
Intel

Earthlink
Microsoft

EBay
Skype

Google
Vonage

Sources:

Holahan, C. (2007) Web War: Nothing Neutral about it. Business Week. Available online at [Http://www.freepress.net/news/print/20669](http://www.freepress.net/news/print/20669). Access on Jan 20, 2007

www.savetheinternet.net

www.netcompetition.org

Do you agree with the following statements? If so why, if not why not?

**Net Neutrality is the fight for a neutral Internet.
About Internet Freedom
First Amendment of the Internet**