

HOW THE GOOGLE-VERIZON DEAL THREATENS TO DESTROY THE OPEN INTERNET

What is Real Net Neutrality?

Net Neutrality is the guiding principle that preserves the free and open Internet. Net Neutrality means that Internet service providers may not discriminate between different kinds of content and applications online. It guarantees a level playing field for all Web sites and Internet technologies.

Why the Verizon-Google Framework Is Fake Net Neutrality

The legislative framework announced by Google and Verizon departs dramatically from the core components of real Net Neutrality. Put simply, it is a framework that opens the door wide open for ISPs and deep-pocketed content companies to engage in practices that will turn the open Internet platform into something that more closely resembles the closed cable TV model.

Here's why:

- 1. The deal explicitly precludes the application of Net Neutrality rules to wireless networks. This means everything from outright blocking of websites and applications to pay-for-priority treatment will be permissible on wireless networks.
- 2. Strong non-discrimination rules are key to preserving the open Internet, on wired and wireless platforms. But the proposed non-discrimination standard for wired networks is extremely weak and opens the door to outright blocking of applications in the name of "reasonable network management." Under this standard, Comcast's universally denounced blocking of the BitTorrent application would have been a permissible practice.
- 3. The deal allows ISPs to split the open public Internet into two "pipes." One of these pipes will be devoted to socalled "managed services," a pay-for-play platform that will destroy today's level playing field that gives every new startup the chance to turn a good idea into the next Google or Facebook. This could also lead to exclusive deals that restrict consumer choice and reduce competition. Most worrisome is that the presence of pay-for-play managed services could stifle the growth of the open Internet, freezing the "public" Internet in 2010 while the "private" Internet takes a few big players on the fast lane into the future.
- 4. The deal allows ISPS, not users, to determine which applications need Quality of Service treatment. This breaks long-developed international Internet standards and threatens to turn the Internet from a robust all-purpose platform into a platform optimized to deliver today's not tomorrow's most popular applications.
- 5. Quite stunningly, the framework takes away the FCC's authority to actually make open Internet rules, and instead requires them to only handle complaints on a case-by-case basis, and directs the FCC to "give deference" to third-party industry bodies on how to resolve complaints.

The Right Path Forward: The FCC Must Establish Authority Over Broadband & Enact Strong Net Neutrality Rules

Unlike the traditional broadcasting, cable and print mass media, the Internet is free from gatekeepers. This openness unleashed an unprecedented wave of innovation and competition online and preserving that force should be a top priority for policymakers.

Preserving the open Internet begins with the FCC restoring its authority over broadband communications by reversing the misguided classification decisions of the Bush-era FCC. This restoration of authority will immediately place all broadband networks under the congressionally mandated principle of non-discrimination, and will give the agency the authority it needs to codify this principle into predictable, enforceable bright-line rules that prohibit discrimination.

These rules ultimately must include all technologies — both wired and wireless — but can give carriers some flexibility under a narrowly tailored reasonable network management standard. This framework cannot permit managed services to stifle the growth of the open Internet and tilt the scales of competition in favor of established players. Ultimately the framework should empower users, not ISPs or content companies, to decide what applications need special treatment.

Letting consumers be in the drivers seat is why the Internet has been so successful at creating new market players like Google, and policymakers should recognize that the future of our innovation economy is far too important to be decided by two market giants.

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