

**United States Federal Communications Commission  
2015 Global Symposium for Regulators  
Consultation**

Policy and Regulatory Measures to Promote Mobile Services and Applications

Consumers around the world increasingly rely on mobile broadband as an important pathway to access the Internet “anywhere, anytime.” They also rely on a wide range of mobile applications to perform routine tasks that are an integral part of their daily lives. Globally, there were 4.3 billion mobile users (59% of the global population) in 2014, up 8% from 3.9 billion (55% of the global population) in 2013. In 2014, Global mobile data traffic totaled 2.5 Exabytes per month -- the equivalent of 6,955 million text messages each second -- reflecting growth in global consumer mobile data traffic of 72%, and in global business mobile data traffic of 57%.<sup>1</sup>

Recognizing the importance of mobile technology from the beginning, the United States employed a regulatory approach that champions robust competition. In the past decade this approach has helped facilitate lower prices, improved quality, and greater innovation. In 2014, for example, U.S mobile data traffic totaled 531.7 Petabytes per month -- the equivalent of 1,465 million text messages each second. This was thirty-two times the volume of U.S. mobile traffic five years earlier in 2009.<sup>2</sup>

The statutory framework established by the United States Congress for mobile wireless services and implemented by the Federal Communications Commission (FCC) relies on competition as the primary driver of consumer benefits and has spurred substantial economic growth and benefits for the citizens of our nation. In 2014, mobile services added 3.2% (\$548 billion) to the United States GDP, exceeding the contribution to GDP of a number of other industries, including entertainment, transportation, automobile, hospitality, and agriculture.<sup>3</sup>

As the regulatory agency entrusted with overseeing mobile services, FCC actions to foster this market-driven approach include: (i) imposing regulatory guidelines that preserve and promote consumer choice and competition among multiple service providers; (ii) promoting efficient and intensive use of spectrum, (iii) maximizing economic opportunity; and (iv) fostering the deployment of innovative technologies. In all cases when implementing this framework, the FCC seeks to make fact-based policy decisions in an open and transparent manner. This has been reflected in public statements issued by our leadership and in various rulemaking decisions.

Our policy goals foster competition in the marketplace because we believe that competition creates stronger inducements to innovation than prescribed regulations. Rather than prescribe a standardized air interface for mobile traffic in the United States for example, the FCC instead

---

<sup>1</sup> See Cisco “VNI Mobile Forecast Highlights, 2014 – 2019.” January 2015, [http://www.cisco.com/assets/sol/sp/vni/forecast\\_highlights\\_mobile/index.html](http://www.cisco.com/assets/sol/sp/vni/forecast_highlights_mobile/index.html).

<sup>2</sup> Cisco “VNI Mobile Forecast Highlights, 2014 – 2019.” January 2015, [http://www.cisco.com/assets/sol/sp/vni/forecast\\_highlights\\_mobile/index.html](http://www.cisco.com/assets/sol/sp/vni/forecast_highlights_mobile/index.html)

<sup>3</sup> Boston Consulting Group *The Mobile Revolution: How Mobile Technologies Drive a Trillion-Dollar Impact*, January 2015, (commissioned by Qualcomm Inc.). [https://www.bcgperspectives.com/content/articles/telecommunications\\_technology\\_business\\_transformation\\_mobile\\_evolution/](https://www.bcgperspectives.com/content/articles/telecommunications_technology_business_transformation_mobile_evolution/)

allows competition to determine the technology to be used in the marketplace. Such an approach enables carriers and device manufacturers to continually innovate to create more efficient and beneficial technologies. Additionally, companies throughout the mobile ecosystem are updating and upgrading their wireless infrastructure in the United States. Today there are 120 million LTE/4G subscribers, with build-out complete to 300 million Americans. Over the past decade the U.S. mobile industry has invested roughly \$260 billion to build competitive infrastructure, thus confirming that competition drives capital investment.

As FCC Chairman Wheeler has noted: where competition exists, we will protect it; where greater competition can exist, we will encourage it; where meaningful competition is not available, the FCC will work to create it; and where competition cannot be expected to exist, we must shoulder the responsibility, *e.g.*, through universal service efforts. The FCC thus intervenes to provide certainty in the marketplace when it has identified a need to encourage and incentivize the virtuous cycle of investment and innovation.

The apps economy, a huge driver of mobile uptake, is one significant example where the FCC imposes no direct regulation. Nevertheless, significant economic benefits accrue to our nation.<sup>4</sup> The mobile entertainment revenues reached an estimated \$9 billion in 2014, the “app economy” generated an estimated 752,000 jobs in 2013, and the U.S. telehealth market is expected to grow from \$240 million in 2013 to \$1.9 billion by 2018.<sup>5</sup>

In addition to promoting competition, we also aim to empower consumers with tools to help them navigate the increasingly complex mobile marketplace. For example, we released the FCC Speed Test App which allows Google Android and Apple phone users to run tests on their own smartphones to find out how fast their mobile network is where they work, live and travel. This anonymous information is made freely available to the public on the nation’s mobile broadband performance in reports, maps, datasets and other forms. The data is valuable in informing the Commission’s fact-based decision-making on broadband policy issues.

The wireless industry, and the consumer demands placed on it, is constantly evolving and expanding. We – the FCC and the world – are only beginning to understand the true potential of mobile broadband and innovative apps. A flexible, transparent, free-market driven approach will allow innovators continue to create tools to improve the general welfare of all our communities.

---

<sup>4</sup> *Broadband in America: Leading America into the Future*, November 2014, [www.broadbandforamerica.com/.../InternationalBroadbandforAmericabroch\\_111714.pdfCached](http://www.broadbandforamerica.com/.../InternationalBroadbandforAmericabroch_111714.pdfCached).

<sup>5</sup> *Mobile Broadband Spectrum: A Vital Resource for the American Economy*, May 11, 2015, (prepared by Coleman Bazelon and Giluia McHenry for CTIA), [http://www.ctia.org/docs/default-source/default-document-library/brattle\\_spectrum\\_051115.pdf](http://www.ctia.org/docs/default-source/default-document-library/brattle_spectrum_051115.pdf)