

Compilation of Emails to Task Force Members
(From Minn Post article)

4/23/09

Hello,

At the Minnesota High Tech Association (MHTA) Spring conference, where I led a panel on the social web, I was pleased to have an opportunity to sit in on the broadband panel where David Diers, VP of Comcast Business Services, provided an overview of their footprint, DOCSIS 3 and future broadband speed plans. While enlightening, Comcast and the other cable companies appear to have synchronized their message: *current* bandwidth consumption is so laughingly low (Comcast says ~2GB is the media and Time Warner states ~1GB) that they are being "quite generous" with their caps and tiers. It seems we should be just tickled at how magnanimous they're being with these bandwidth caps.

Anyone with any technical savvy, who takes even a moment to understand internet and bandwidth consumption trends, knows that this positioning is disingenuous and is nothing but a veiled attempt at placing strategic obstacles in place in order to restrain competition and protect their cableTV franchises.

However, it's not just anti-competitive moves that concern me and many others, it's the fact that a cable company with a monopoly is not only supplying the infrastructure layer, they're also delivering applications in the form of television as well as with digital telephone (with television, both real-time and on-demand, they're competing with both streaming vendors *and* entities such as NetFlix, Apple's iTunes, or what Best Buy has just announced: <http://tinyurl.com/deruj6>). Though Mr. Diers has taken umbrage to my characterization of Comcast as a monopoly in Eden Prairie, when pressed he's unable to come up with any other known choice internet access speeds even resembling broadband...because there aren't any.

I would hope your recommendations include a strong and material separation between those two layers and their ability to restrain competition. If not, it's as though the providers own the tollway AND the trucking companies, but their trucks get to fly through the automated tollgate while any competing trucking company is waiting in line to pay.

IMPACT ON INNOVATION

With my work with Minnov8.com, I'm very close to innovators (both entrepreneurs as well as corporations harnessing internet and web tech) and there is great dismay over tiered broadband and its potential effect on innovation. Though I've encouraged reaching out to the Task Force, it will most likely take some sort of alarming and draconian move like Time Warner made, unlikely now that they've failed.

This past Saturday, Cloudcamp MSP was held (<http://www.cloudcamp.com/minneapolis>) sponsored by organizations like Best Buy, Split Rock Partners, Microsoft, Cisco and many others. If you're not yet familiar with the rapid acceleration in information technology that is hosted over the internet, then the Task Force *must* include this category as one of the key drivers of next generation I.T., entrepreneurial innovation, education, telemedicine, and a primary justification for an open, unfettered and level playing field with internet provision.

The investment, energy and innovation occurring in this arena is nothing short of astounding. If bandwidth caps are allowed to be instituted and be low, I predict it will severely restrict innovation in this growing delivery model for applications and internet innovation. More on cloud computing here:

http://en.wikipedia.org/wiki/Cloud_computing

"Why Tiered Broadband is the Enemy of Innovation" by Om Malik

<http://tinyurl.com/6n7rt8>

"Flat-rate broadband – however cheap or expensive (depending on your point of view) it might be – inspired the formation of Skype, YouTube, Facebook, Apple's iTunes and MySpace, amongst others. It allowed us to freely experiment, to embrace both the applications and the ideas they represented, such as VoIP, online video, digital downloads and social networking."

TIME WARNER

As you probably know, Time Warner took a very visible (and low bandwidth cap) tiered strategy that sparked so much protest that they backed off last week.

From around the tech web:

The Embarrassment of American Broadband:

<http://tinyurl.com/ckzbfh>

Welcome to Consumption Based Broadband:

<http://tinyurl.com/d43kbh>

Washington Post opinion:

<http://tinyurl.com/ddc3nd>

This issue is coming to a head as the stakes rise with both ISP's and those of us who understand what it already means to have a private enterprise in control of the applications layer of the internet and who can compete within it. It appears that the cable companies are making moves now in order to have bargaining chips with the FCC and with the MN Legislature when it comes time to write bills, and I'm hopeful your

recommendations are visionary, strategic, fair and ones that minimize control and maximize innovation -- whether that innovation comes from a college kid up late building the next, great Web application, or if it's Comcast having an incentive to invest multi-millions in infrastructure.

Thanks.

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Steve Borsch

Connecting the Dots

Blog: www.iConnectDots.com

Check out another blog I participate in:

Minnov8: Minnesota Innovation in Internet & Web Technology

Blog: www.Minnov8.com

I am a Comcast customer in Minneapolis: I pay them for cable internet and TV. I think that Comcast has a monopoly and uses it to limit choices through its broadband cap, and restrict innovation by restricting viewers to their proprietary cable boxes. These great benefits are not cheap either.

I strongly favor regulation to treat broadband cable as a neutral public utility and reduce the monopoly control.

William Thomas, PhD
Associate Professor
Division of Biostatistics, MMC 303

Dear MN Ultra High Speed Task Force,

I'm currently out of state attending school, but caught word of your group through a MN-local news source, MinnPost.com.

I think broadband access is a revolutionary technological achievement that can greatly benefit citizens if implemented and maintained properly. What worries me is the increasing control of this valuable public interest by a few profit-taking corporations and even emerging monopolistic practices that could probably be curtailed with proper oversight and regulation. These monopolistic practices are probably

not emerging from any evil intentions, but the intent to preserve a business model that will shortly be antiquated. For instance, web-video may soon rival commercial television in quality and impact, and this may lead companies that sell both cable television and cable internet to try and keep these merging technologies separate, when there are no technological reasons for doing so. Similar arguments apply for other media distribution, like music, voice and video communications, print, and probably more. Keeping this in mind I hope this task force will advocate for community-based projects, like public internet access and wi-fi, and further broadband cable layout. I also hope net-neutrality is encouraged and any bandwidth caps are reasonable and able to be expanded as usage changes. I would also like to see closed, proprietary technologies discouraged from public use.

Thank you, and please continue keeping in mind the citizens not represented by well-funded corporate entities!
Andrew Barthel

Government regulation naturally evolves to the point where the companies being regulated actually do the regulating. Thus the banking industry got to decide gambling, lying and stealing were acceptable behaviors.

Large internet access providers now want to use their power to decide what regulations should be made in order to protect their profits. This behavior and attitude is in direct conflict with every principle of free enterprise dating back further than Adam Smith's writing.

Please do not allow the State of Minnesota to become a place where corporations decide what the rules are based on protecting their profits. The quality of life is already declining here due to the disinvestment in basic infrastructure. Limiting access to knowledge and communication resources will put Minnesota so far behind the competitive edge that no high quality and high integrity corporation or individual could justify locating in the state.

Stuart Macdonald

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"To announce that there must be no criticism of the President, or that we are to stand by the President, right or wrong, is not only unpatriotic and servile, but is morally treasonable to the American public." -Theodore Roosevelt

The Minnesota Ultra High Speed Broadband Taskforce - Contact Us Web Site Message

Name:
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How can we help you:

Got your info from MinnPost article:Who should have control over your TV? A conversation with a Comcast executive By Steve Borsch | Tuesday, April 14, 2009

Dear Ms. Wells:

I don't profess to be a tech guru or understand the myriad of tech issues facing the taskforce. I'm just a "normal" broadband user. But the issues raised by Steve Borsch in his recent posts on MinnPost.com ratify concerns I always have when dealing with large corporate entities holding either information, technology, or market control over consumers who are not similarly skilled. The reality is that consumers cannot be individually be knowledgeable on technical issues such as this and so there's a heavy burden on government entities to act meaningfully on behalf of consumers.

I worked for a major oil company for 20+ years before retiring. That company contributes large sums (in absolute dollars) toward alternative energy research and advertising t. But in day-to-day practice everything they actually do is designed to drive consumers toward dependence and use of oil and oil byproducts. Not because the company is inherently evil, although many may think so... it's just that's how the company makes money.

There can be no difference with cable/internet providers. They are going to act in self-interest only and so long as they can hold an effective monopoly at a particular service level, the provider's interest will be to maximize their profit, consumer be damned. And there are a whole variety of things they can do to confuse consumers, obfuscate the implications of their actions, and generally muddy the waters so that a typical consumer, faced with hundreds of decisions a day, cannot meaningfully assess the implications of a purchase decision from the monopoly provider.

Minnesota needs to ensure that there's genuine, meaningful, and real competition between providers, that providers fully disclose all connectivity issues their proprietary systems have with other technologies, and that the "pipeline" is not priced beyond the ability of consumers to reasonably pay. If we cannot have universal broadband coverage available at a reasonable price, then we do not have universal broadband coverage. Period.

I think it's also important that government sponsor a low/no-profit alternative to the major commercial providers. There is no effective way for a consumer to get through to most providers - lines are jammed, hold times are awful, the call center folks lack training, and you can't even escalate problems because the managers who really make the decisions are often

hidden behind the protection of the customer service folks. Government by its nature has to be more responsive... eventually, anyway.

I wish I had the technical background to make a meaningful contribution because accessibility to the internet is going to be a key driver in our nation's future. If we turn that over to unregulated commercial carriers whose motivation will be to maximize their own profit, the US will fall even further behind the nations who are already far better at getting their citizens wired with access to high quality broadband at reasonable prices.

Best wishes,

Mark Giorgini

As a Dakota media producer who is working more and more through the internet...I need assurances that the cable/TV/telephone companies can't control my use of internet and television services.

I look forward to leadership from the state of Minnesota on broadband policy.

Pidamaya for the work you do.

M

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Ms. Wells,

I was reading Steve Borsche's article in the Minn Post this morning and saw his suggestion about contacting the task force with comments. Here is my comment:

I currently live in Bloomington, where I can get DSL service under 1mbps in theory from Quest (my current provider of phone service, I wanted a real phone, not VOIP) or broadband via Comcast. I recently downgraded my Comcast cable to their most basic cable, it was simply not worth the money. I was able to save around 40 dollars a month in doing so. I planned on using that 40 dollars a month to purchase "season passes" on iTunes to watch the few shows my wife

and I follow. That in the end saves me a lot of money, since the season passes are typically under 40 bucks and we don't follow more than 12 shows. My end goal is to eventually drop Comcast's cable all together and use a digital antenna and watch the shows we want over the net (via iTunes or other services). I have put this plan on hold though, as I am very concerned about bandwidth caps and how it would negatively affect my ability to access digital version of TV shows through the net.

I realize that there is not a bandwidth cap per se yet in MN, but know that Comcast is testing them in other markets. I also know that Comcast has in the past (with vantage) done things to their network to make competitive products less useful. I worry that this might be the case in the future in MN since I am tied to a single provider for my internet needs and at their mercy. My wife and I will be getting iPhones this summer, which will only increase our bandwidth use at our home.

I think the State of MN should do everything in their power to ensure that Comcast (and/or if a capable competitor emerges) maintain a neutral stance on the bandwidth usage and content they provide access to. I can understand the need to limit some users (say those who are using their home connection to host servers, constantly moving large data files or those doing illegal activities) but they should recognize that as digital media becomes more popular users will increasingly turn to it. I don't feel I should be penalized by Comcast (with cap overage fees) if I choose to use a superior (in my opinion) product to access HD digital content, such as movies/tv shows via a provider of my choice on the net. I think the State of MN and its citizens would benefit from regulation that give Comcast some authority to regulate usage but do not penalize users who chose to not use Comcast cable services to access their digital media and thus use high amounts of bandwidth.

While I can safely say, I don't come anywhere close to using 250 gigs of bandwidth a month, I can envision that amount being reached in the future, when I cease to use Comcast for cable tv.

Thanks,
Nicholas Kelley
Bloomington, MN

The Minnesota Ultra High Speed Broadband Taskforce - Contact Us Web
Site Message

Name:
Steve Campbell

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Phone Number:

How can we help you:

I am concerned at the broadband monopoly that the cable company has in my area. Being a monopoly, there seems to be little that can be done to restrict their policies from imposing unnecessary restrictions on my service, in the interest of supporting their other interests (cable tv).

I would be much happier in an environment where the broadband infrastructure was shared or leased, and ISPs could compete on service, rather than relying on ownership of the infrastructure.