Network Neutrality and Prioritization

Telecom Paris Workshop

29th May 2007

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Competing Policy Objectives

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- Preserve the Internet

  Preservation of an open, competitive, dynamic Internet for the good of consumers and society.

- Improve Service Quality

  Encourage increases in the speed and quality of broadband services available to consumers.

Existing Network Prioritization

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.: 3 Types

- Best efforts (FIFO or First in line)
- Needs-Based
- Source or Type based

.: Not all FIFO routing is pro-competitive.

.: Not all source/type based prioritization is anticompetitive.

Crux of Debate

- Prioritization matters most in a constrained network environment.

- Economic decision about how to invest in the network.

  Prioritization is a way to apportion capacity usage as an alternative to investing in additional capacity. Instead of upgrading capacity, network owners can purchase a less expensive box to enable prioritization.

- There is potential for network owners to abuse their market share. What is the best way to mitigate this risk?

Methods to ensure competitive prioritization.

.: Rely on existing (or amend) antitrust laws.

.: Rely on the threat of regulation.

.: Draft new regulation.

.: Rely on market forces.

.: Employ other governmental incentives.

Consequences of new legislation

- Introduce a new layer of regulatory supervision.

- Impact to investment in access networks.

- Impact to innovation.

Our perspective on the debate.

.: Acknowledge the risk of anticompetitive prioritization.

.: Not ready to advocate for new legislation.

.: Prefer to let market forces solve the problem.

- Consumer revolution.
- Development of competing access options.
- New peering arrangements - avoiding "mutual self destruction."

.: Practical considerations

- Does prioritization make a real difference?
- High cost of managing a separate toll way.
- Can the engineers agree on uniform prioritization standards?

Closing Comments

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.: Continue to monitor behaviour of those with market power and react accordingly.

.: Quality of Service does matter; need to promote network investment that enables innovation and preserves the internet for consumers.