

TESTIMONY OF THE
BROADBAND CABLE ASSOCIATION
OF PENNSYLVANIA

Public Hearing on “Technology, Communications and eHealth”

Senate Communications and Technology Committee

February 13, 2013



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Chairman Vulakovich, Chairman Farnese, Members of the Senate Communications and Technology Committee, Good morning. I am Brian Barno, Vice President of Government Affairs for the Broadband Cable Association of Pennsylvania (BCAP). BCAP is the trade association for the Commonwealth's broadband cable industry representing 20 member companies and over 14,000 employees in Pennsylvania providing advanced video, high speed data and voice products. Our membership also includes dozens of cable industry suppliers and network programmers from within and outside of the Commonwealth. I appreciate the opportunity to share some thoughts with you about our industry.

Michael Powell, President/CEO of the National Cable & Telecommunications Association, has said that we must ensure that rural America or low-income families have access to the Internet. "This is critical because a child without access to the Internet will find life increasingly difficult in the Information Age," Powell said.

Fortunately, BCAP members have brought the Internet to families in every corner of the Commonwealth. The industry borrowed heavily and took enormous risk by ripping out its one-way analog network and replacing it with a higher capacity, two-way digital platform that made broadband possible. This massive investment, over \$8 billion in Pennsylvania since the 1996 Telecommunications Act, wasn't due to government cash chasing "shovel ready" projects. It happened because family cable-telecommunications entrepreneurs like Beaver Valley Cable in Rome, Bradford County...Adams Cable in Carbondale...and mid-sized and industry trend setters like Armstrong, Blue Ridge, MetroCast, the Service Electric companies, and Comcast – all Pennsylvania based companies, joined by others – have invested here. This investment has brought high-speed broadband access to over 95 percent of the Commonwealth's residents – rich, poor, urban and rural. We're not done. We have increased broadband speeds over 900 percent in a decade and we're on the verge of deploying additional technology to reach speeds so fast, the Internet itself may be unable to deliver content fast enough to match cable's last mile.

However, even in areas where broadband is available, there is a gap between availability and take rates. The lost opportunities from this digital divide, particularly for students, are staggering. BCAP applauds innovative programs such as Comcast's Internet Essentials, which offers qualified low-income households Internet access under \$10 per month and a voucher to purchase a low-cost computer. Through this program, they have helped bridge the digital divide, and we look forward to working with the Committee on addressing additional solutions.

One of the goals of the 1996 Telecommunications Act was to encourage competition for local telephone service. Fifteen years ago, competition in the residential telephone market was nearly non-existent. The General Assembly's decision to keep Voice over Internet Protocol – or VoIP services - free of unnecessary economic regulation has stimulated development and promoted investment in the Commonwealth. Today, over one million Pennsylvanians enjoy residential voice service from their broadband cable company – which translates into savings of millions of dollars annually for families throughout the Commonwealth.

Broadband cable is how we connect to the world and to one another. Americans love television. We watch about 147 hours of TV per month, and there is no escaping the immense pleasure we get from the tube.

Once upon a time, Americans had only three channels that signed off at midnight to the sounds of the Star Spangled Banner. There was little diversity of content and static-riddled pictures. Cable delivered a better technology that improved reception, expanded and diversified what we watch and gave artists a better canvas for making quality shows.

Dramas like Homeland and Mad Men, educational content from Discovery and History, kids programming on Nickelodeon, Sports Center on ESPN, cooking shows on Food Network and news and public affairs from fixtures like PCN, CNN, C-SPAN, CNBC and Fox News have made television a rich experience.

Leaders take risks, and the cable industry chose to bet big on the promise of delivering broadband. It is now paying off for consumers.

BCAP members are in a competitive environment. Our members are looking to keep pace with today's digital marketplace. The roll-out of new products offerings – second screen capabilities, home security, home monitoring, the delivery of content anywhere and on any device imaginable – it's all being rolled out to meet consumer demand.

Today's consumers want simpler, faster and easier paths through and around the digital marketplace. BCAP members have the advanced broadband backbone to make that happen.