

Internet Debate: Preserving User Parity

by LAURA SYDELL

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Should the Internet be divided into fast and slow lanes? That's the question at the heart of the debate over "network neutrality." Broadband providers have clashed with Internet and software companies, who are concerned that giving some users preferential treatment for a price effectively shuts out competition.

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ROBERT SIEGEL, host:

This is ALL THINGS CONSIDERED from NPR News. I'm Robert Siegel.

MELISSA BLOCK, host:

And I'm Melissa Block.

The Internet has been called one of the great democratizing forces of our time. Anyone with the means can start a blog, put up videos or open an online store. But the phone and cable companies would like to start charging online businesses extra for faster networking speeds. Consumer advocates say that will change the Internet as we know it into a world in which some sites will be seen and others won't.

NPR's Laura Sydell reports.

LAURA SYDELL reporting:

Until recently, there was an assumption of network neutrality, which meant the network providers like AT&T, Comcast and Verizon couldn't give preference to any particular site on the Internet. What if that changed?

Unidentified Man: What if one day you decided to look up something on Google, but found their website to be running so painfully slow that you could not use it? So, instead, after much frustration, you decided to log onto the website of a different search engine to find what you wanted.

SYDELL: That's part of an activist video that's been among the most viewed on the popular website YouTube.com. It goes on to say that the search engine that works efficiently will be the one that has paid extra to the network provider for faster access to its users. Organizations that would like the Internet to stay neutral, without a tiered system, have been stepping up a public awareness campaign. Emails from groups including MoveOn.org, Public Knowledge and even Gun Owners of America have been forwarded from one inbox to another. They're asking voters to urge Congress to include language in a new telecommunications bill that would protect network neutrality. It's currently being written by the House Energy and Commerce Committee.

Among the companies backing such legislation is Grouper.com, a two-year-old startup with offices in Sausalito, California. It's an ad-supported website where users can upload their home videos and watch other people's. The site's fare ranges from personal political diatribes to home videos like this one, about what happens when a rather smelly animal enters a coffee shop.

(Soundbite of Internet video)

SYDELL: Grouper.com gets about 200,000 unique visitors a day, says its CEO, Josh Felser. But like a lot of startups, the company is still working to become profitable.

Mr. JOSH FELSER (Grouper.com): Most new media distribution platforms, unless you're in porn, it takes a long time for the revenue to kind of establish itself. And so in our case, we're building an audience first, that's our focus. And the revenue side is kind of starting to come along.

SYDELL: Felser says it's hard to get financing for a new business and the cheaper the costs, the more likely a startup is to get funding. That's why he's not happy to hear that telephone and cable companies are thinking of charging a fee to businesses that want priority Internet bandwidth. Sites like Grouper, which transmit video, use significantly more bandwidth than a text site.

Mr. FELSER: If we had to pay an additional fee on top of the fee we're paying now for bandwidth, you know, would it wipe us off the map? It would be very damaging.

SYDELL: It isn't only startups that are objecting to paying extra for faster Internet service. Google, Yahoo!, Microsoft and eBay also object. But the telephone and cable companies think these businesses have been getting a free ride. Dan Brenner is the senior vice president for law and regulatory policy at National Cable and Telecommunications Association, which lobbies on behalf of the cable industry.

Mr. DAN BRENNER (National Cable and Telecommunications Association): Companies that have spent money and have not been rewarded by Wall Street in the last several years, whether it's the cable stocks or the phone stocks, have actually been the ones putting the money into the ground, connecting homes, making that service work and making it work better and better every year, allowing companies like Google to thrive.

SYDELL: Brenner and others who support charging for better connections say in order for certain businesses to grow, they need guaranteed high-speed delivery. Currently, the Internet is what engineers like to describe as a dumb pipe, all transmissions are treated the same, regardless of the content. But Brenner and others say that could become a problem as the Internet gets more crowded.

So for example, they say an Internet phone call might suddenly be interrupted because the lines are being hogged by too many emails or someone in the next room is using the pipes to download or stream high definition video. Christopher Yoo teaches technology and entertainment law at Vanderbilt University Law School. He says guaranteed fast service will encourage more entrepreneurship on the Internet, the same way overnight mail services like FedEx helped create new businesses.

Mr. CHRISTOPHER YOO (Vanderbilt University Law School): If you're running an application that requires guaranteed transmission rates, you would willingly pay for that service because unless you're able to pay for the higher quality of service, you can't provide your service to consumers. And so in fact, by creating a one-size-fits-all, we might cut off the very innovative services that depend on a different kind of architecture.

SYDELL: For example, imagine you wanted to see an important event as it was happening. Dan Brenner of the National Cable and Telecommunications Association.

Mr. BRENNER: Let's say someone wanted to get a broadband delivery of a wedding because the bride's grandmother and she was in a nursing home and couldn't travel, but positively wanted to see those bytes were guaranteed to the nursing home while the wedding was taking place. There may be a company someday that goes around offers that service.

SYDELL: But as others see it, there is no reason why in the future, with larger bandwidth, that couldn't be done without charging a special fee for access to the high speed lines.

Vince Cerf is often called the father of the Internet because of his pivotal role in its creation. He now works for Google as a self-described Internet evangelist. Cerf believes the phone and cable companies will make deals with certain businesses and exclude others, fundamentally transforming the Internet.

Mr. VINCE CERF (Google, Inc.): If you start differentiating who has access to what transmission facilities and picking and choosing who can present information on the network, you transform this from being a completely accessible facility to one which is closer and closer to the kind of controlled mass media systems of the past, so you're back to radio, back to television, back to newspapers, where only a selected number of parties have the ability to use the megaphone.

SYDELL: For example, the phone companies might have their own wedding video service and relegate others to the slow lane. The debate is getting the attention of investors like Gary Morganthaler, a general partner in the venture capital firm Morganthaler Ventures. He worries that there will be fewer new businesses worthy of investment if the phone and cable companies are allowed to favor one business over another.

Mr. GARY MORGANTHALER (Venture capitalist): Discrimination, particularly in something as fundamental as communications infrastructure, can slow the rate of innovation. And if innovation is the source of economic growth, this has a potential negative long-term effect on the United States' position in the overall Internet economy.

SYDELL: Cable and telephone companies say they would never block or slow down access to content because it would cost them customers. But many consumer advocates believe there needs to be legislation to guarantee that they can't discriminate.

Laura Sydell, NPR News.

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