



www.wherever.tv
(412) 663-0094

**Statement of Mark Cavicchia
Founder/CEO
WhereverTV**

**Before the
Federal Communications Commission
Third Public *En Banc* Hearing on Broadband and the Digital Future
Carnegie-Mellon University, Pittsburgh, Pennsylvania**

July 21, 2008

Chairman Martin and Members of the Commission:

Thank you for inviting me to testify this afternoon on Broadband and the Digital Future. It is a subject and debate the outcome of which will greatly influence the direction and growth of my company and many other companies like mine over the coming months and years.

My name is Mark Cavicchia, and I'm the Founder and CEO of WhereverTV, a Pittsburgh-based pioneer in delivering live feeds of international television channels available on the Internet directly to TV sets without the need for a personal computer or a centralized broadcast facility.

The Open Internet and Future of Digital Media

Until recently, the Internet has truly been an Information Superhighway, where users have been free to access an unlimited amount of information. In a span of ten short years, average bandwidth speeds on the Internet have increased from 56kb/sec to Verizon's high-end FiOS service that I have installed at my house, which is capable of delivering a consistent 15MB/sec download connection. This is more than 250.times faster than my connection was 10 years ago.

We can now go farther and faster on the Superhighway than ever before and in the future, the Internet will be even bigger and faster than it is today. With all of this "open road" ahead, a few companies with controlled access are attempting to limit and prioritize traffic to suit their own needs. If they are successful, the Superhighway could quickly become an extremely expensive toll-road reserved for only a certain, privileged few.

Why Broadband Providers Want Bandwidth Limitations

Broadband providers argue that a small group of users are responsible for a tremendous amount of bandwidth consumption. AT&T claims that 1% of their customers account for 21% of bandwidth usage and 4% of their customers account for 46% of all usage.¹ Primarily, these are users of file-sharing or peer-to-peer networks. WhereverTV, by the way, is neither – we simply connect the user directly to the legal content owner.

Time Warner's recent decision in Texas to limit monthly downloads to 5GB/month² means that we are all being blamed – and we are all paying the consequences – for the actions of a small few. Simply doing the math – and assuming they're offering a 5MB/sec download connection, a user would run out of available monthly bandwidth after just *16 minutes* of a full-throttle connection. The user would then be subject to bandwidth surcharge fees for any additional browsing during the remaining 29 days, 23 hours and 44 minutes of that month.

As a point of reference, 5GB is about the size of one high-definition movie file. What Time Warner is essentially saying is – you can only download one movie per month over the Internet – and when you do – you will have already exceeded your monthly bandwidth allowance. This unreasonable limitation is more than unfair to consumers. It's ludicrous.

The WhereverTV service depends on a constant, reliable connection to the Internet – at a fraction of the available download speeds promised by broadband providers. Today, a typical live television feed ranges anywhere from 300 to 700kb/sec. Considering the average household watches approximately 8 hours of TV per day,³ this much Internet TV would equate to 8.6 GB/day, or 260 GB/month.

Remember my FiOS connection? Verizon tells me I can download at 15MB/sec today. So, if my service provider is already promising that I can download at speeds up to 45 times faster than a streaming Internet TV broadcast – then why should they care if I, and other consumers like me, decide to watch a few hours of TV every day over the Internet?

The answer is simple. It's in their – and only their – best interests.

For the first time since the creation of cable television in the 1960s, consumers can decide what to watch and when to watch it without having to rely on a cable company to first route a television signal through its centralized broadcast facility. More and more, content owners are broadcasting directly over the Internet, which reduces bandwidth inefficiencies associated with first routing this content through a centralized broadcast facility.

In 2008, most large cable providers are already broadband providers. And, broadband providers, like Verizon and AT&T, are now becoming cable TV providers. The lines are not just becoming blurred; they're being obliterated. Companies who want to impose limits on our bandwidth are the same companies who want to charge us for all the content they deliver through their centralized broadcast facility. And now they want to charge us even more for the average bandwidth use we're already paying for. In short, they want to limit access to consumers so they can make more money for themselves.

Consumer options to access legally available content on the Internet such as Hulu.com, the BBC and more than 2,000 of the world's 25,000 TV stations⁴ are greater than ever before. Broadband providers want to be the "tunnel" on the Information Superhighway that we all have to pass through. They want to tell us when, and how often, we can pass through that tunnel – and they want to charge us exorbitant tolls every time we do. Because they know that companies like mine and websites like Hulu and the BBC allow internet users to bypass them. We're building our own lanes on the Information Superhighway, and broadband providers want to dissuade people from using them.

Consumers want the choice. They're willing to pay for it, but they're not willing – nor should they be made to face unreasonable restrictions – or added, exorbitant tolls.

Conclusion.

Bandwidth limitations will negatively impact 95% of all broadband users – consumers like you, and me, and everyone in this room who don't download and share gigabytes worth of illegal movies and TV shows, and who don't abuse the system. We'll be the ones made to pay and suffer for the excesses of a precious few.

The solution is not to limit Internet usage for everyone so that broadband providers and their competing content services benefit. It's to go after the incredibly small number of people who are abusing their access privileges.

Sincerely,

Mark Cavicchia
Founder/CEO
WhereverTV
2715 Sarah Street
Pittsburgh, PA 15203
(412) 663-0094

REFERENCES SITED IN REMARKS:

¹ TheStreet.com
<http://www.thestreet.com/story/10421256/1/att-mulls-surcharge-for-high-dsl-use.html>

² Newsweek
<http://www.newsweek.com/id/105557>

³ Nielsen Media Research
<http://www.nielsenmedia.com/nc/portal/site/Public/menuitem.55dc65b4a7d5adff3f65936147a062a0/?vgnextoid=4156527aaccd010VgnVCM100000ac0a260aRCRD>

⁴ CIA Factbook
<https://www.cia.gov/library/publications/the-world-factbook/fields/2015.html>