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Press Release

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FOR IMMEDIATE RELEASE
Tuesday – June 20, 2017

NEW PHOENIX CENTER REPORT REFUTES FREE PRESS AND INTERNET ASSOCIATION'S TITLE II INVESTMENT EVIDENCE

Critical Review Reveals that Free Press and the Internet Association Have Presented False Narrative

WASHINGTON, D.C. – One of the central arguments in the Net Neutrality debate is over whether the Federal Communications Commission's ("FCC") controversial 2015 decision to reclassify broadband Internet access as a common carrier "telecommunications" service had a negative effect on network investment in 2016. The evidence is mounting that it did.

Free Press—a zealous proponent of aggressive Internet regulation—believes the consistency in the data does not carry over to Broadband Service Providers' ("BSPs") advocacy, however. Comparing statements made by BSPs to the FCC and to Wall Street, Free Press contends that these apparent inconsistencies imply that the companies are lying to the Commission and to the public about the effect of Title II on investment. The Internet Association—a trade group of companies favoring aggressive Internet regulation—recently borrowed from Free Press's report to produce an online video summarizing the Free Press narrative.

In a new analysis released today entitled *Below the Belt: A Review of Free Press and the Internet Association's Investment Claims*, Phoenix Center Chief Economist Dr. George Ford subjects Free Press and the Internet Association's anecdotal evidence to review, and finds that it is Free Press and the Internet Association—and not BSPs—who are not telling the whole story. As Dr. Ford demonstrates, Free Press and the Internet Association have presented a false narrative to both the Commission and the public at large, and that their evidence actually points to the harms of reclassification on investment incentives.

"Allegations that someone is deliberately misleading the Commission should not be taken lightly," said study author and Phoenix Center Chief Economist Dr. George Ford. "However, after accounting for the omission of relevant facts and selective editing of earnings call transcripts, it turns out that Free Press and the Internet Association are the true fabulists."

A full copy of PHOENIX CENTER POLICY PERSPECTIVE NO. 17-06, *Below the Belt: A Review of Free Press and the Internet Association's Investment Claims*, may be downloaded free from the Phoenix Center's web page at: <http://www.phoenix-center.org/perspectives/Perspective17-06Final.pdf>.

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