

# Net Neutrality:

*An Issue By Any Other Name*

*GMU Information Economy Project Mini-Conference  
September 28, 2006*

*Paul Misener / Amazon.com*

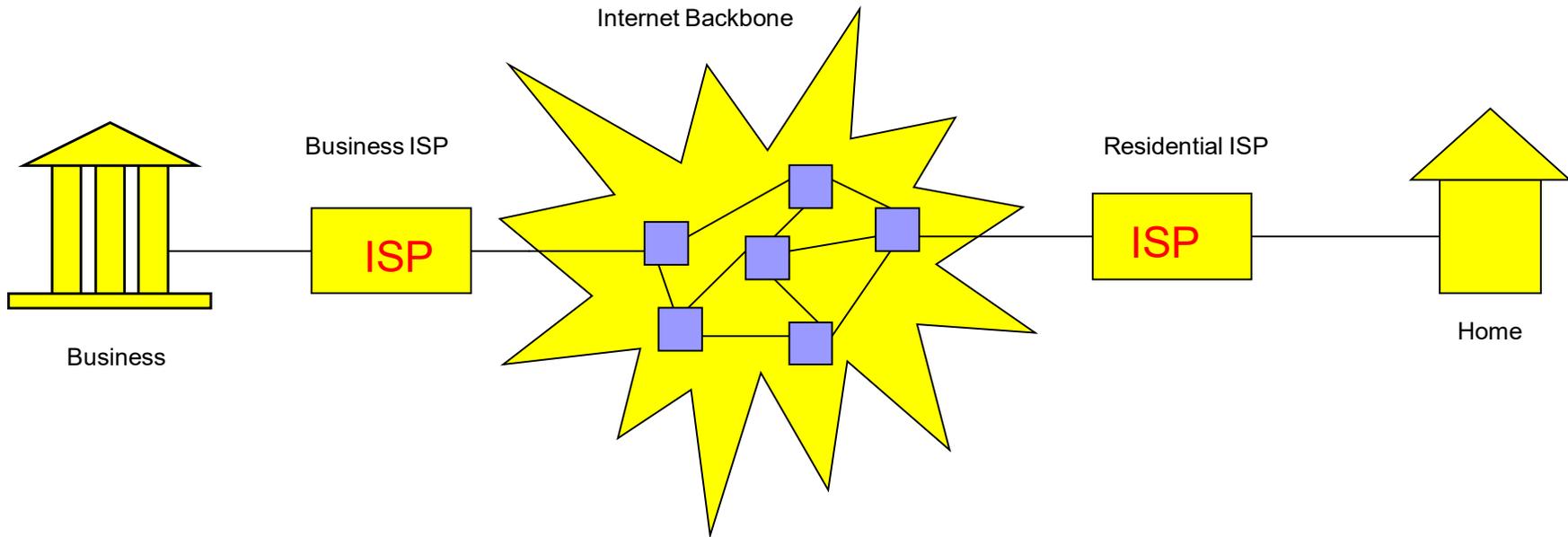


# Outline

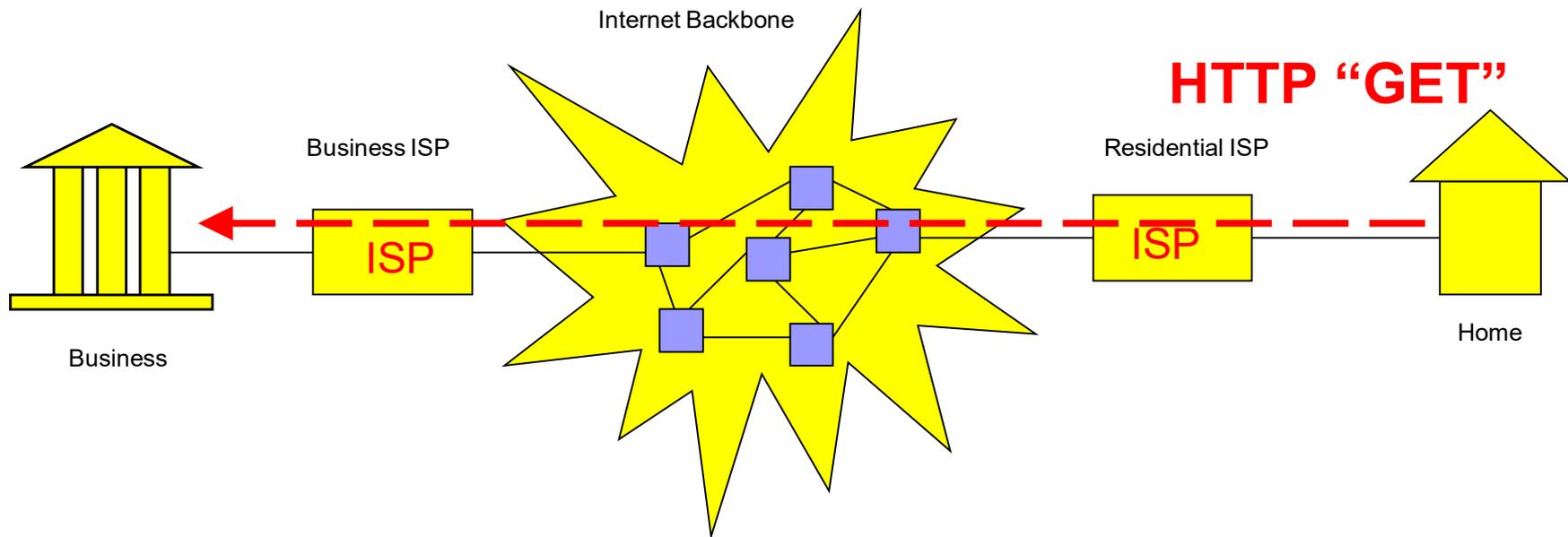
- Pull is Fundamental
- Changing Business Model?
- Net Neutrality
- The Disagreement
- Get Paid?
- Questions/Discussion

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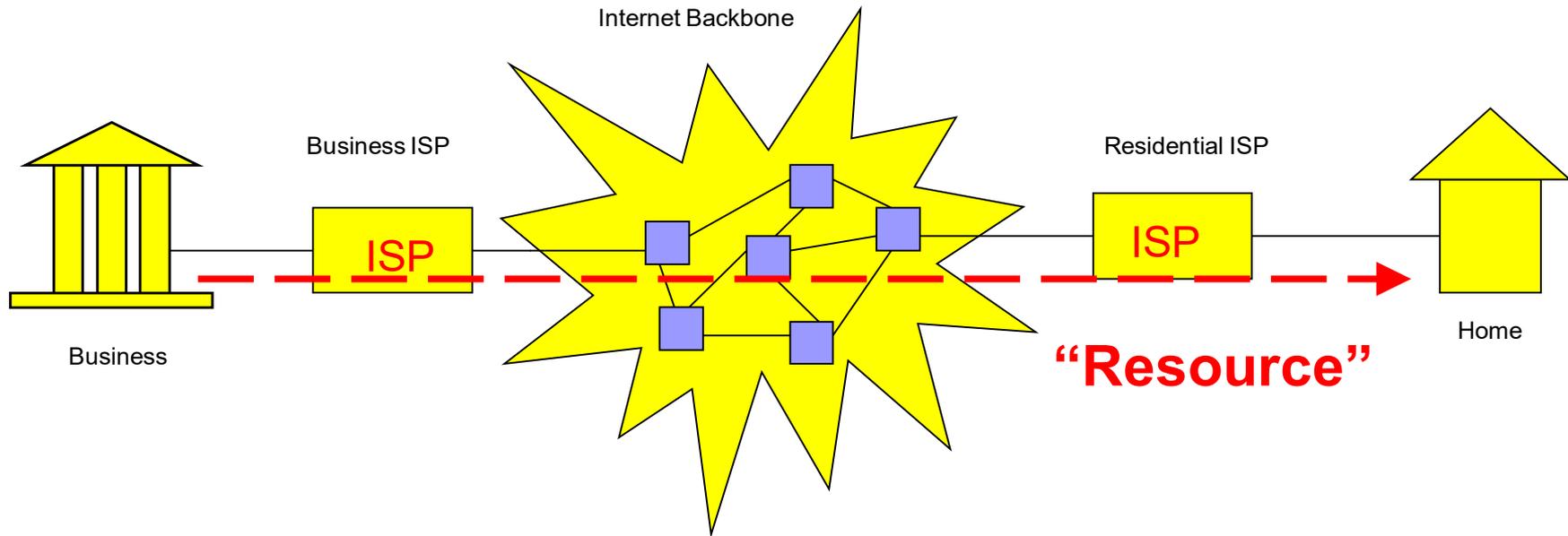
# The Internet: “Pull” is Fundamental



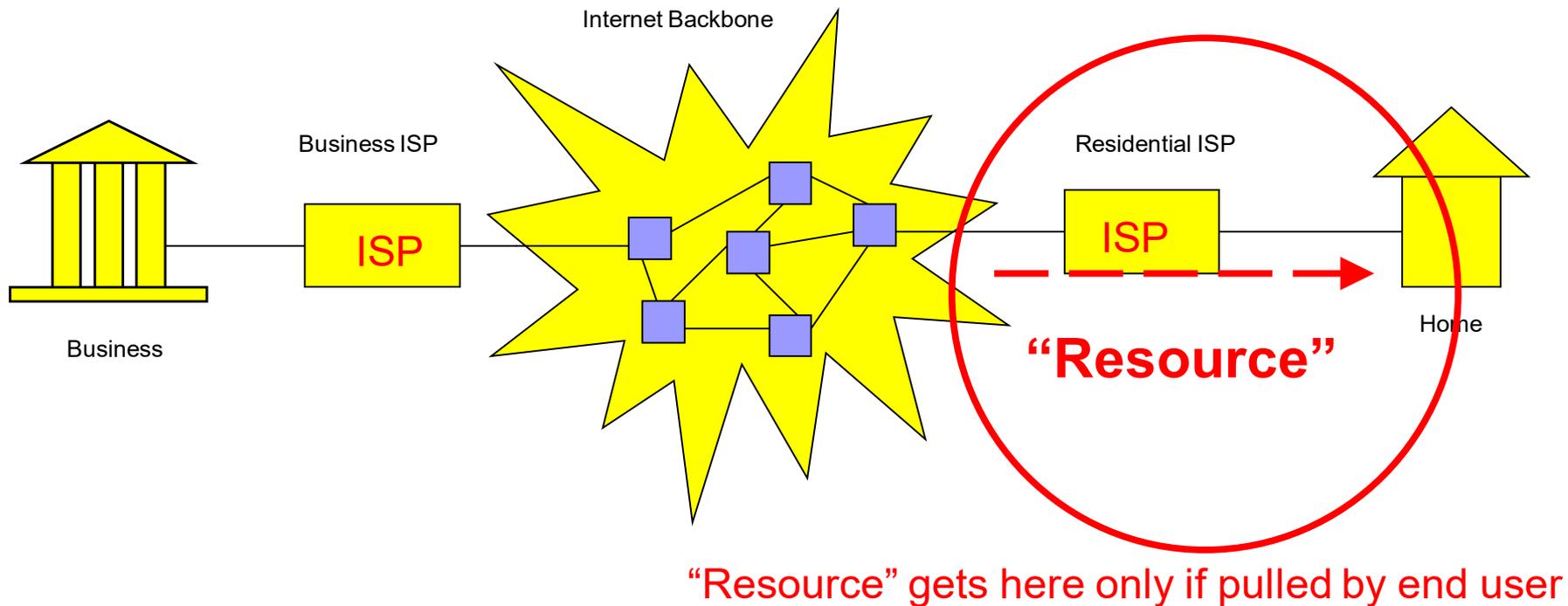
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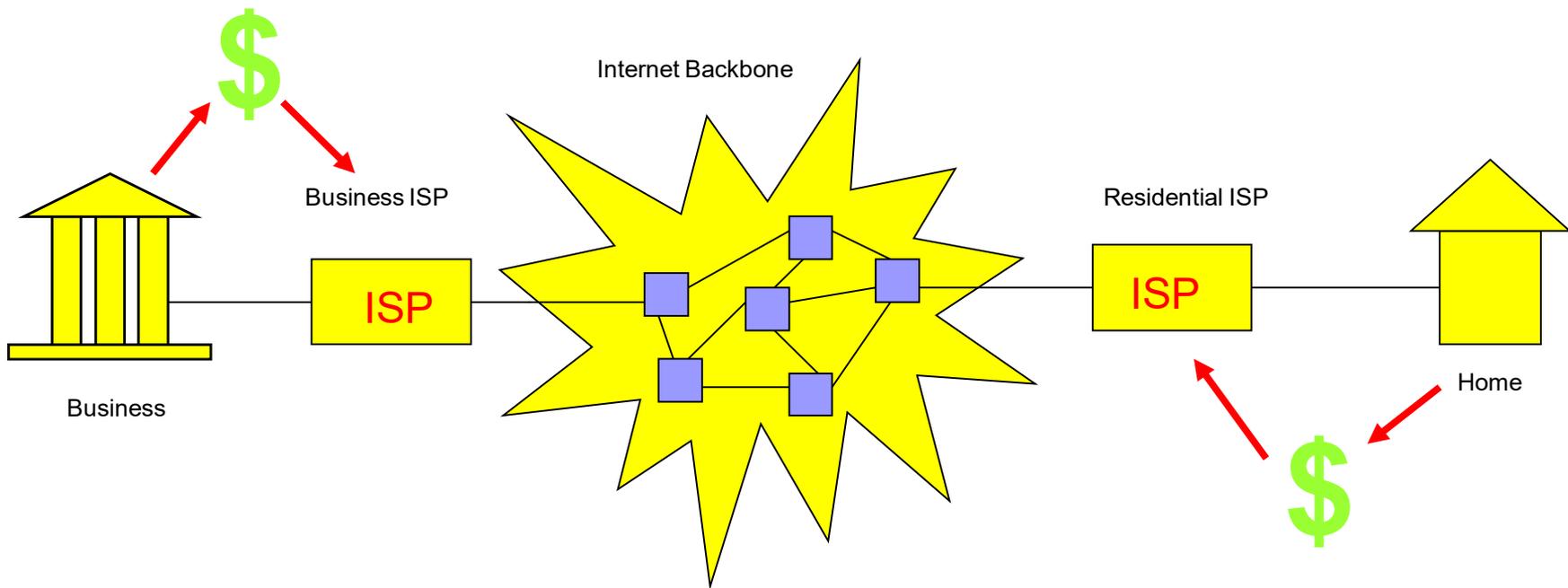


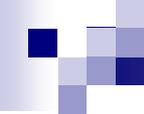
# The Internet: “Pull” is Fundamental



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# Internet Access





# But Residential Internet Access is Changing

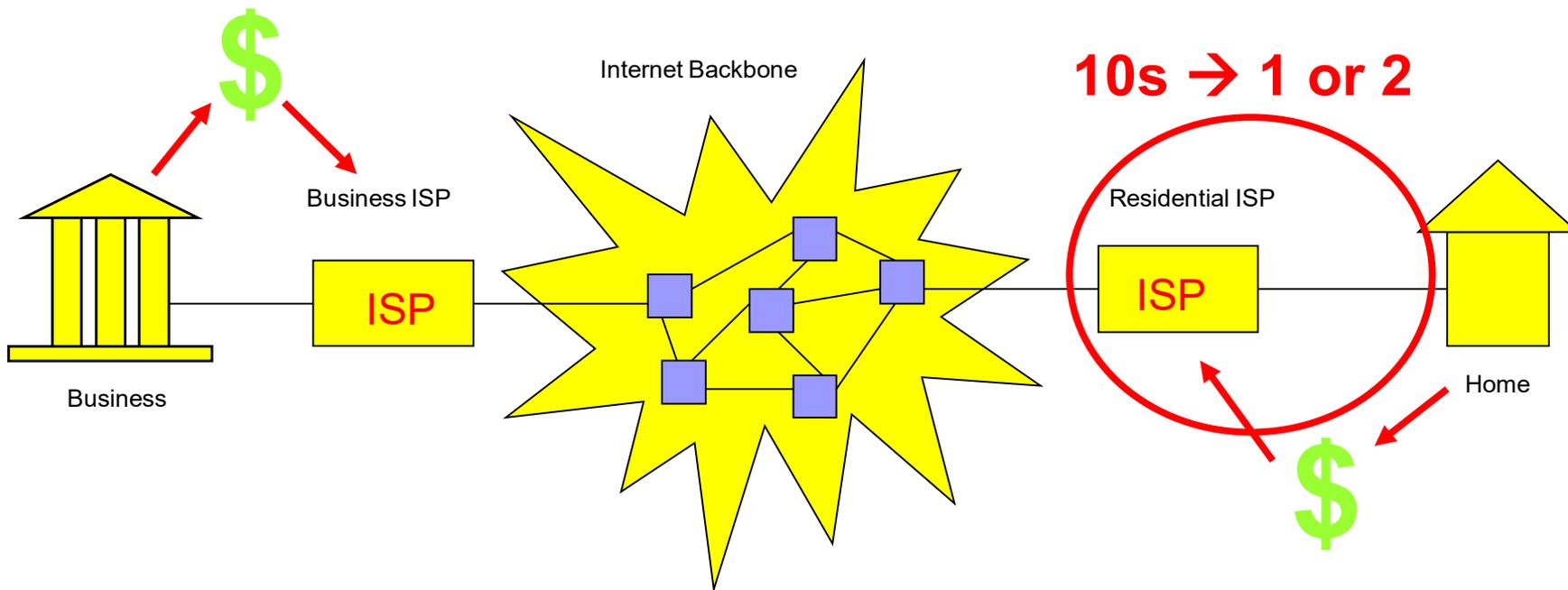
Concentration

Digital Technology

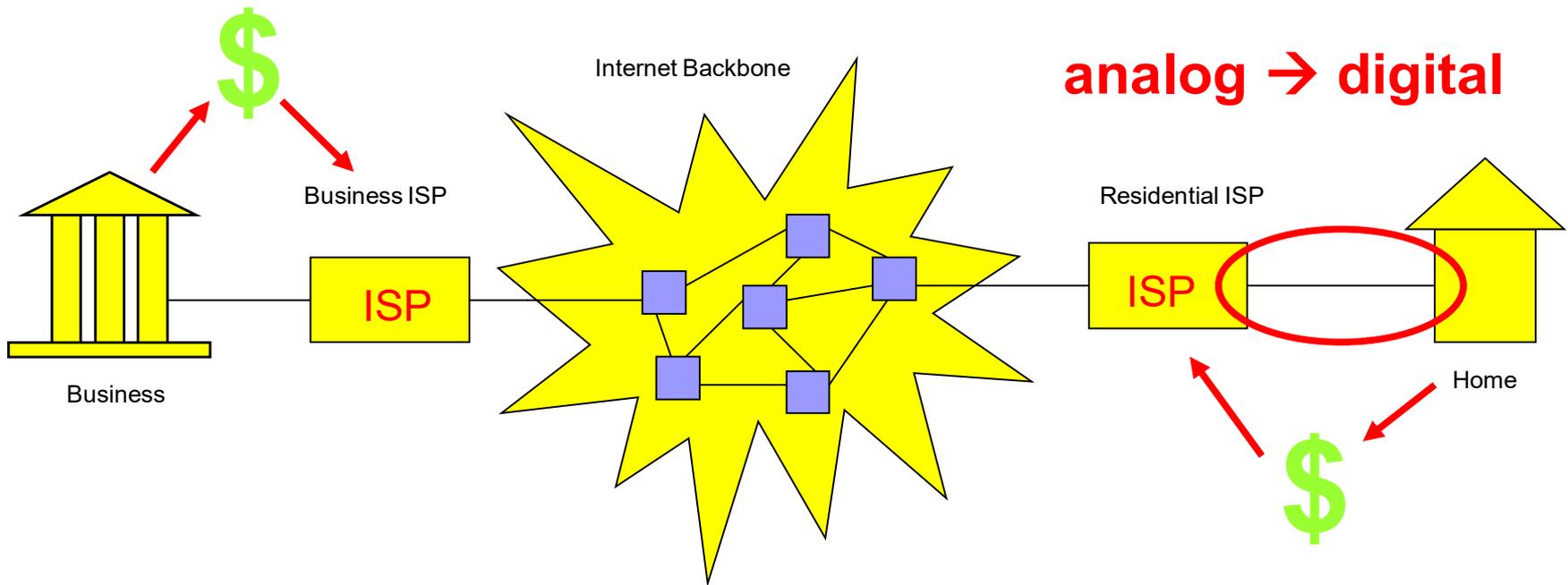
FCC Removal of Safeguards

Network Operator Plans

# Concentration

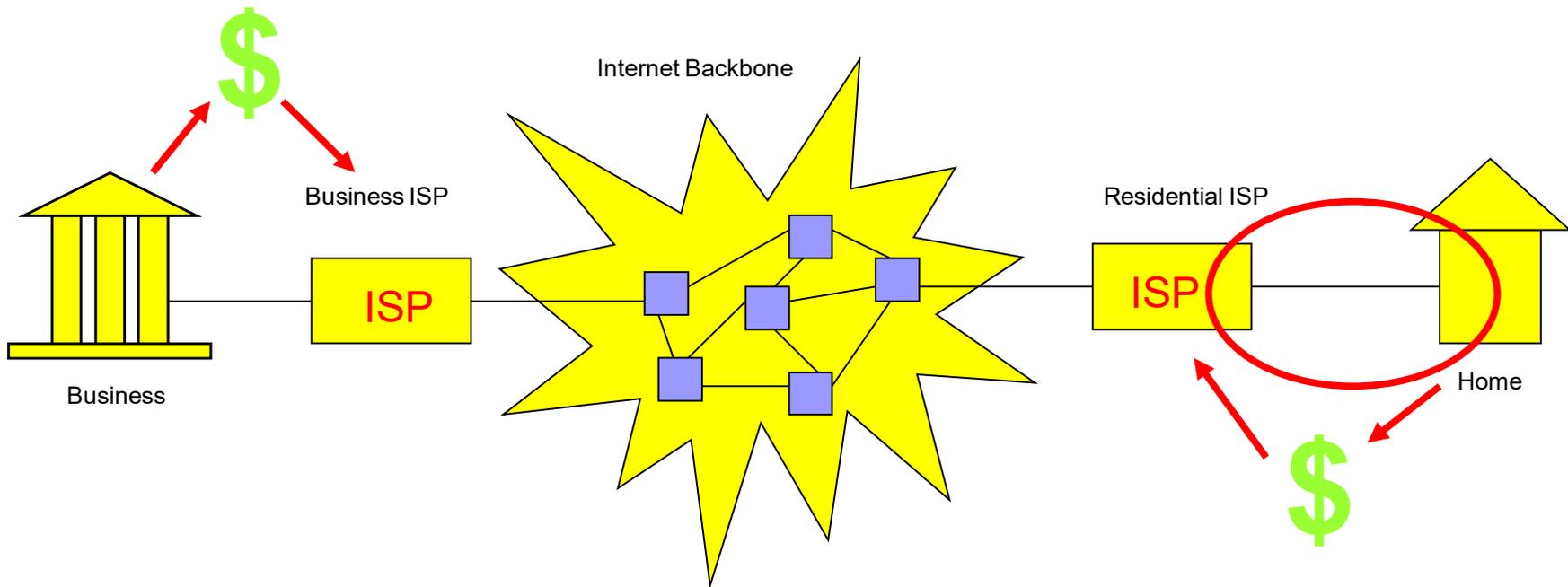


# Digital Technology

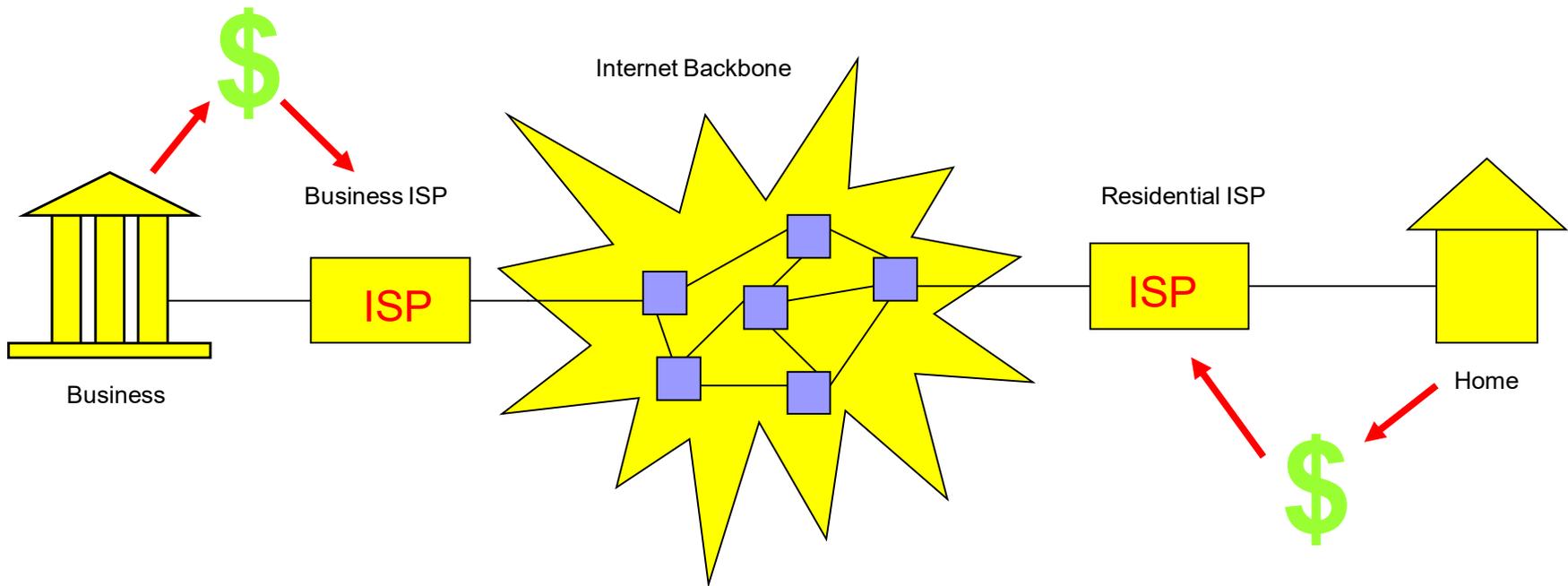


# FCC Removal of Safeguards

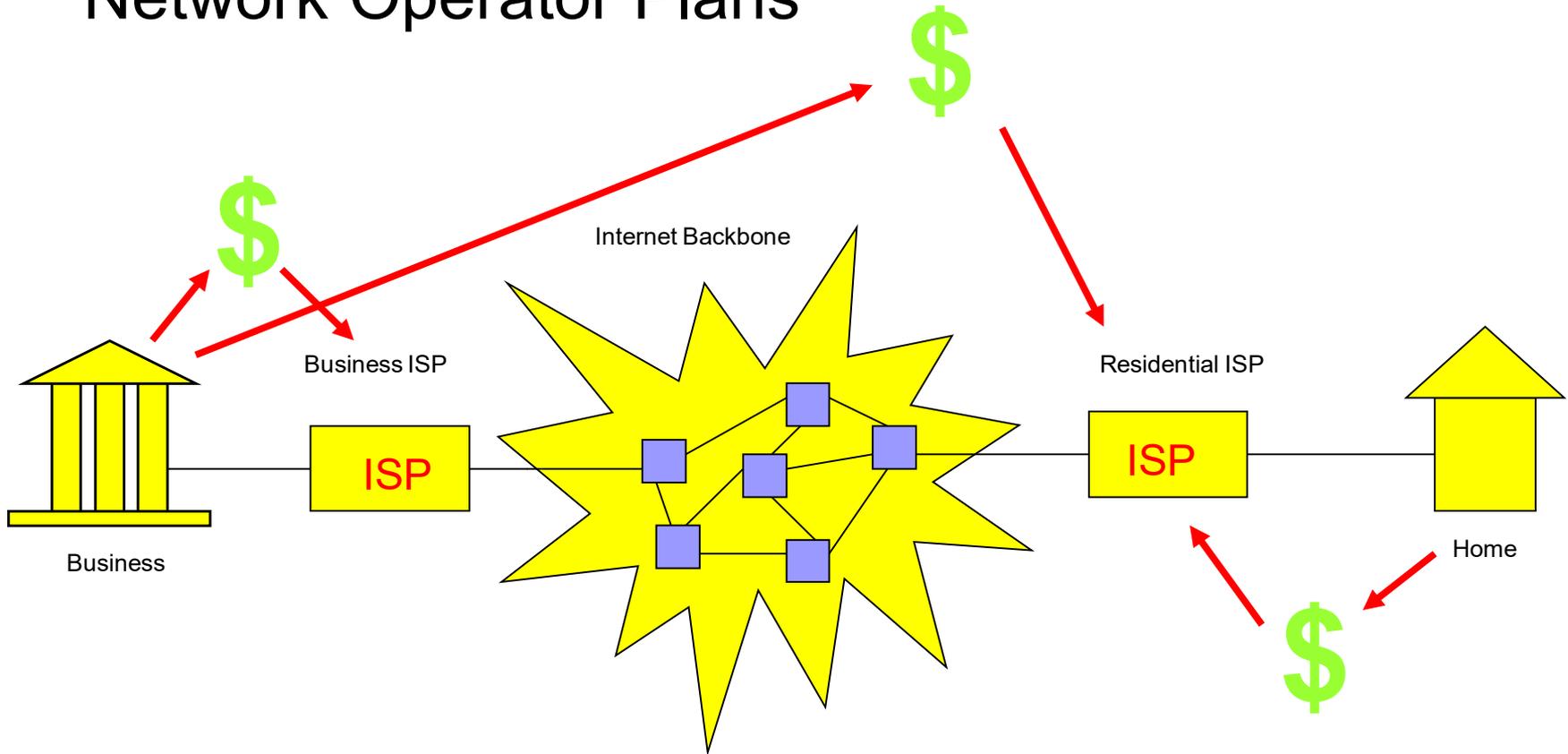
**non-discrimination rule → no rule**



# Network Operator Plans



# Network Operator Plans



# What is the new \$?

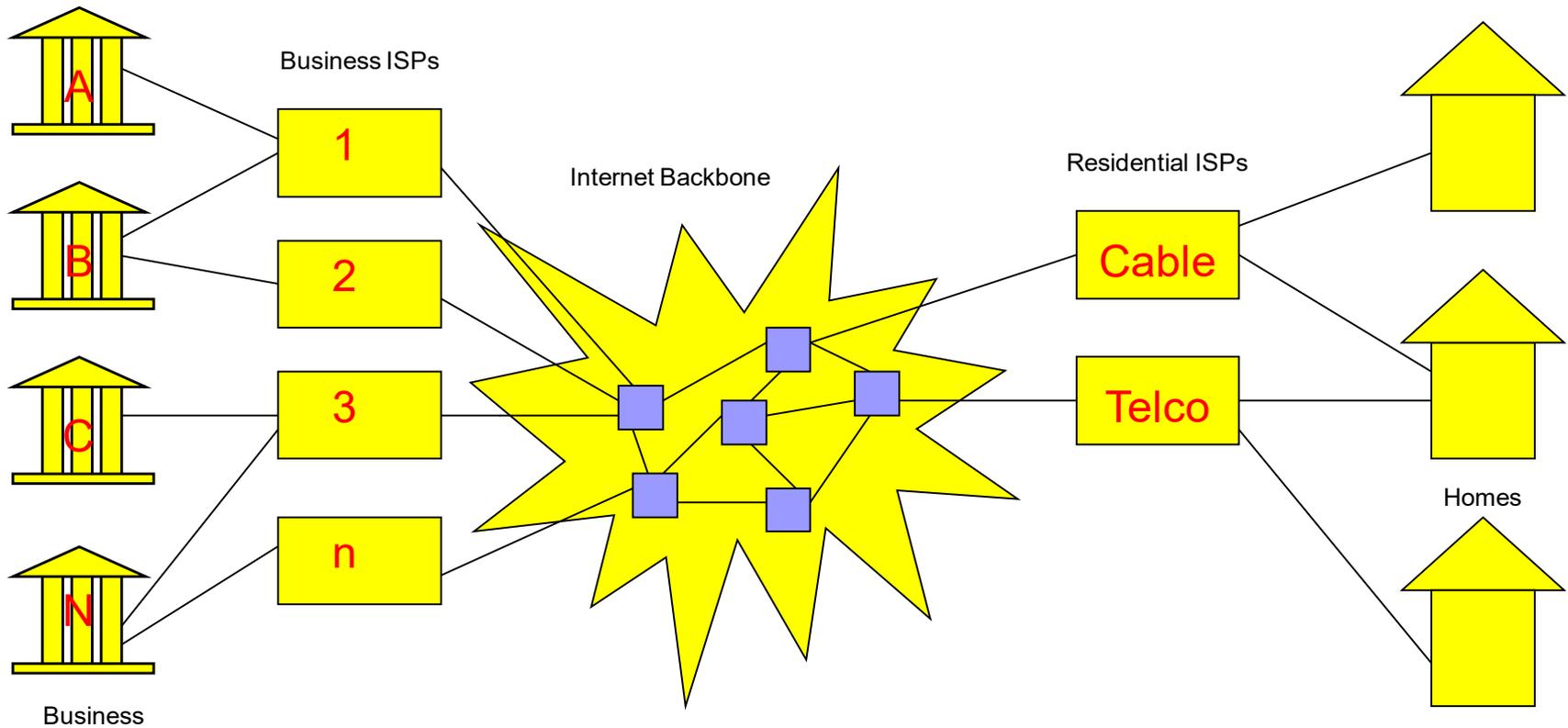
X% of transactions?

X% of online revenue?

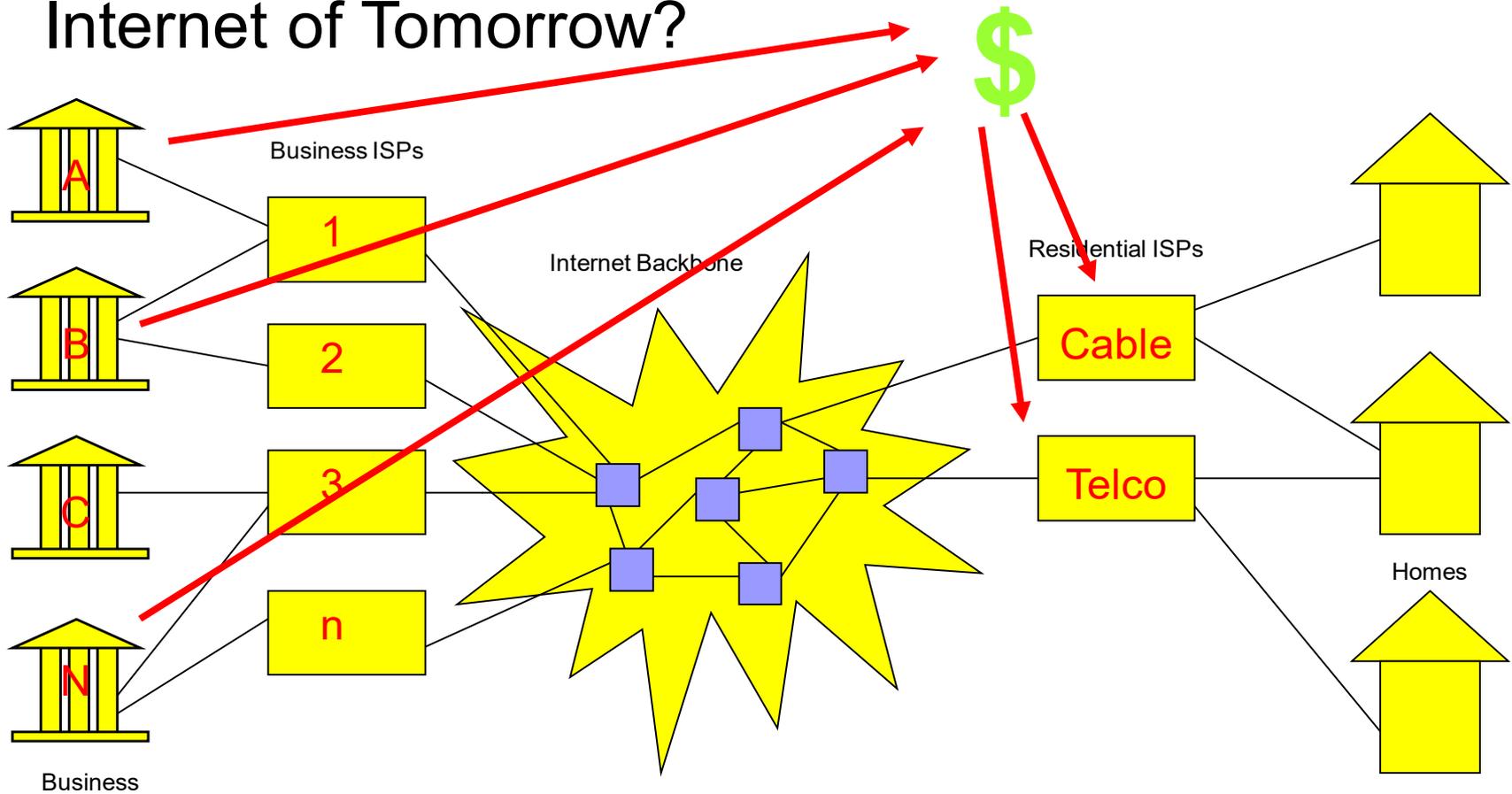
\$X per net op subs that are OSP customers?

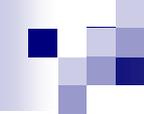
\$X for “special” security measures?

# Internet of Today



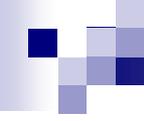
# Internet of Tomorrow?



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# Net Neutrality

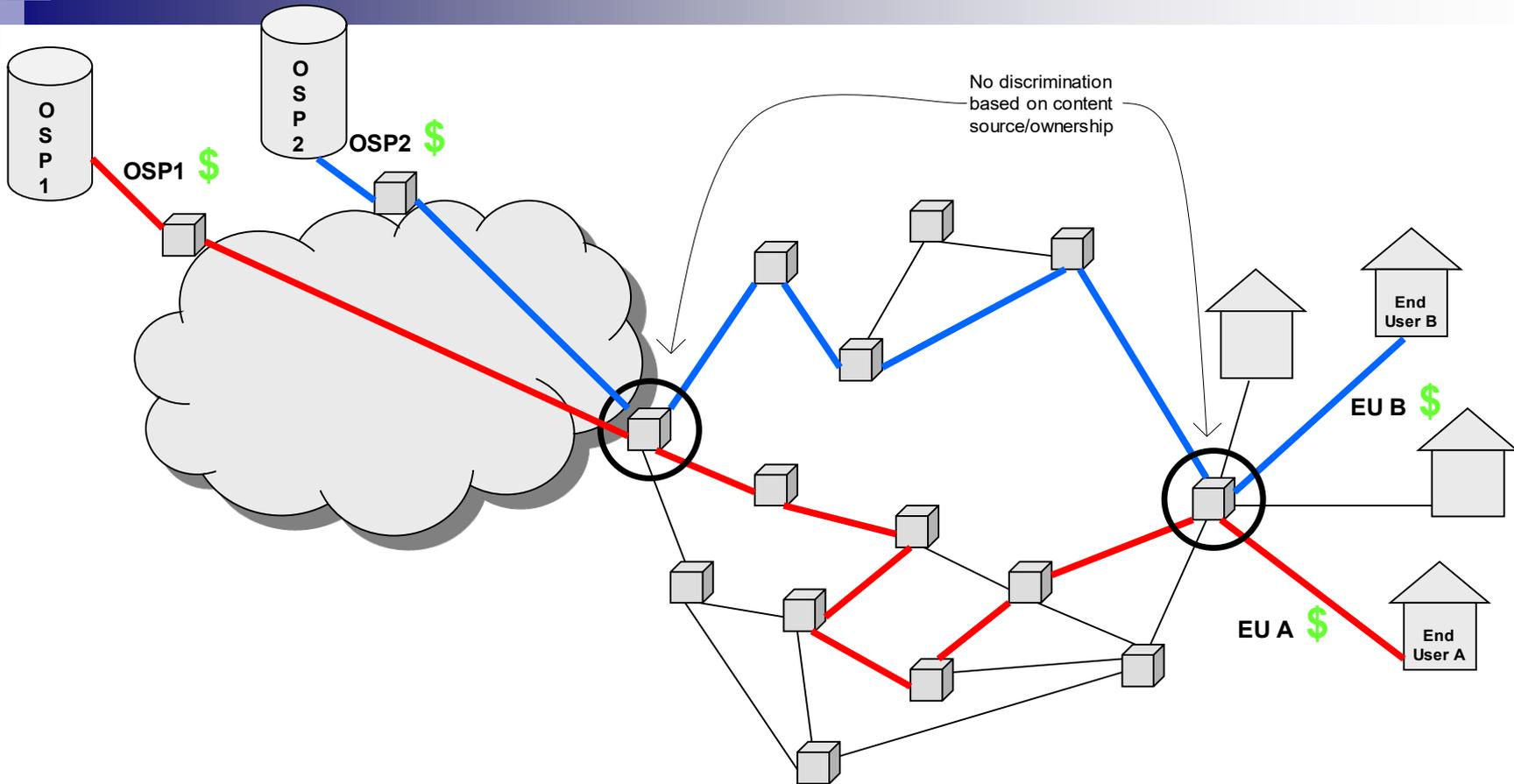
- Preserve the openness of the Internet
  - *Good for consumers, innovation*
- Prevent the extension of market power
  - *Not bust up the power a la 96 Act*
- Core idea: *no discrimination based on the source or ownership of content*

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# Disagree: Facts not Philosophy

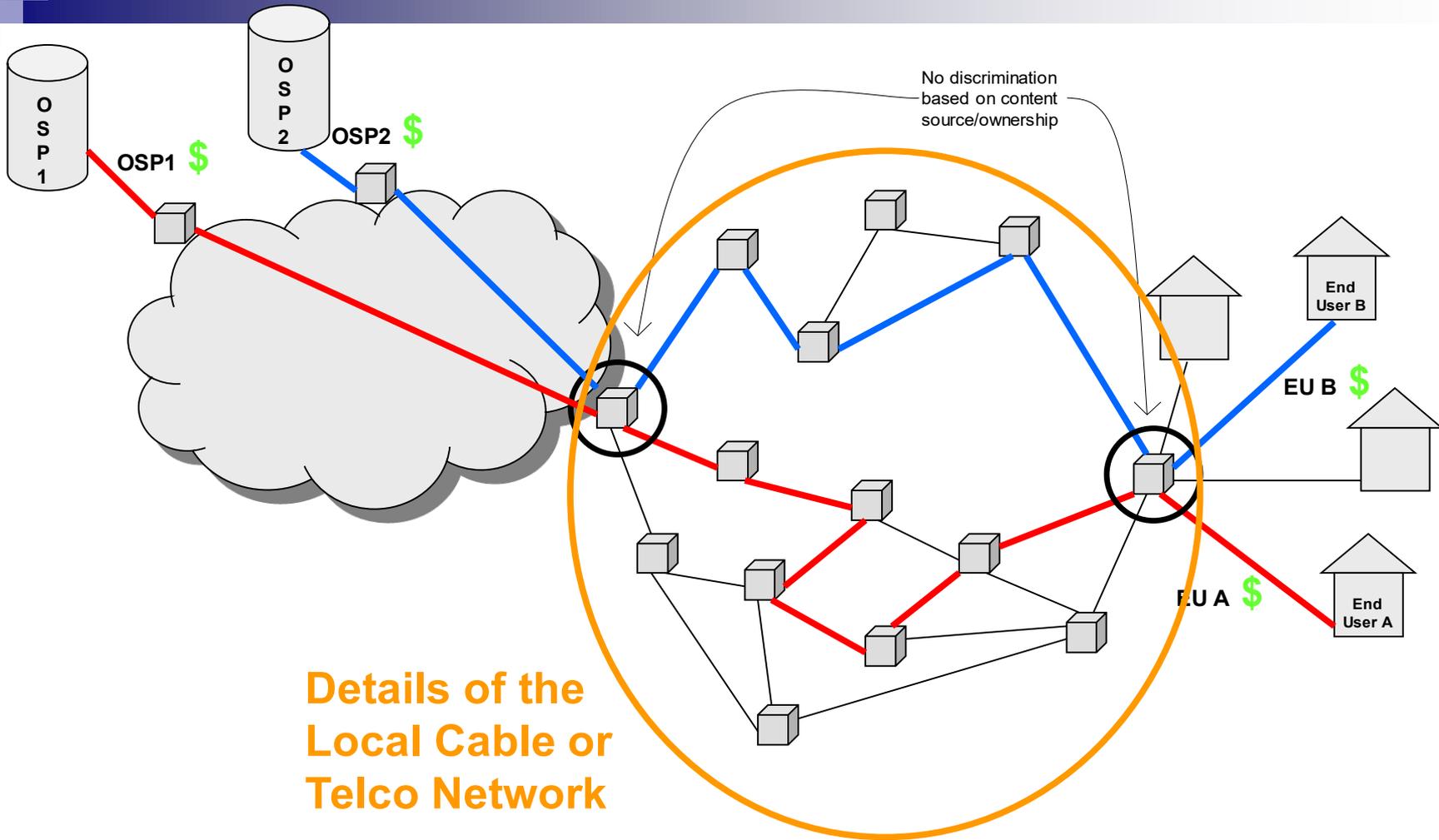
- Let the Competitive Free Market Work
  - *But >98% duopoly*
- Don't Start Regulating the Internet
  - *But non-discrimination governed most*
- Net Ops Won't Invest w/out Discrimination
  - *But fast deployment under non-discrimination*
- Common Carriage Bad, Video Competition Good
  - *But it's not, and video comp bill relies on non-discrimination*
- Net Ops Should be Paid for Services

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*Router functionality operating at the packet and, perhaps, the sub-packet level, and not necessarily a separate physical device.*

**Basic Model**

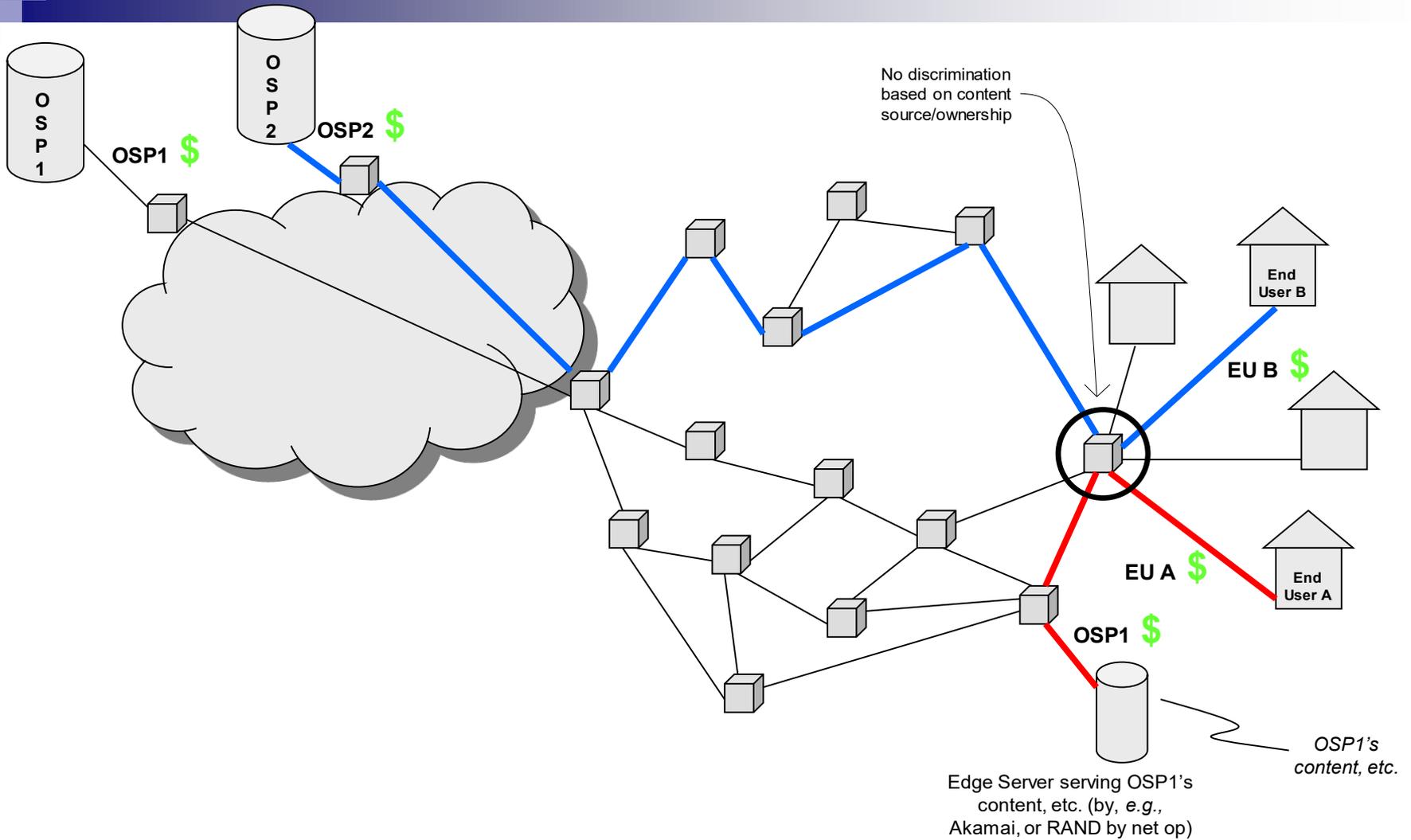


Details of the Local Cable or Telco Network

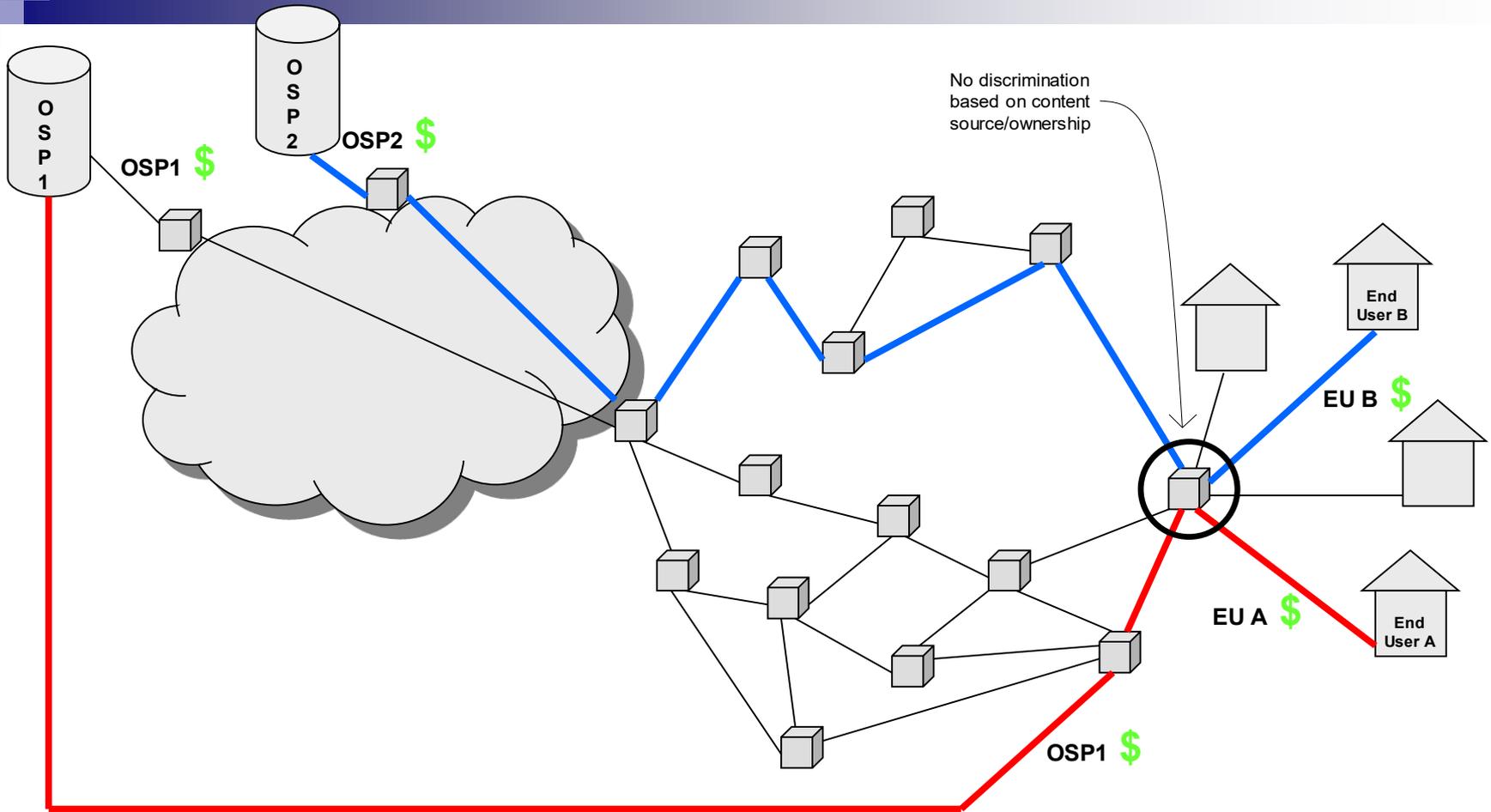


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## Basic Model

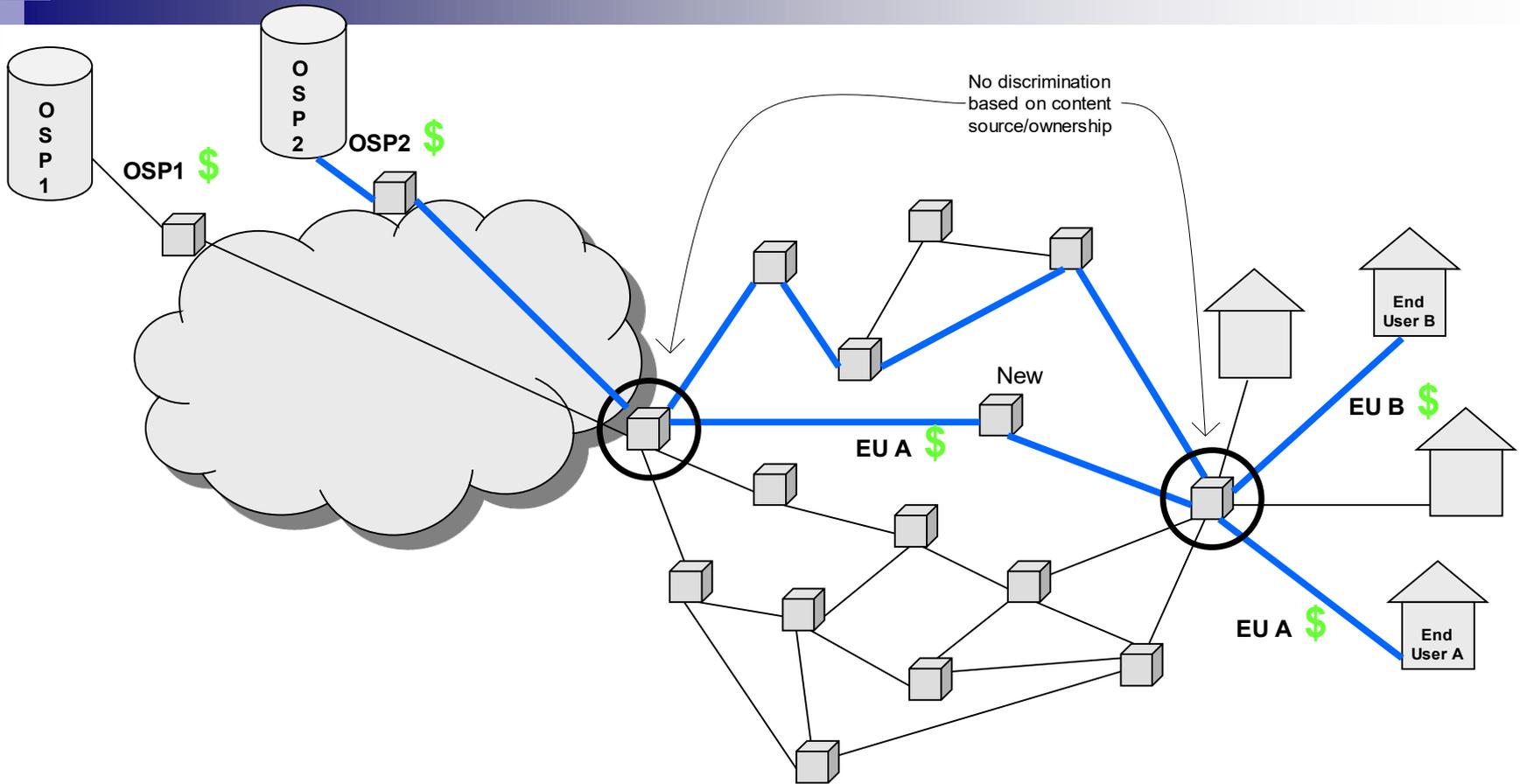


## OSP Paid RAND Edge Serving

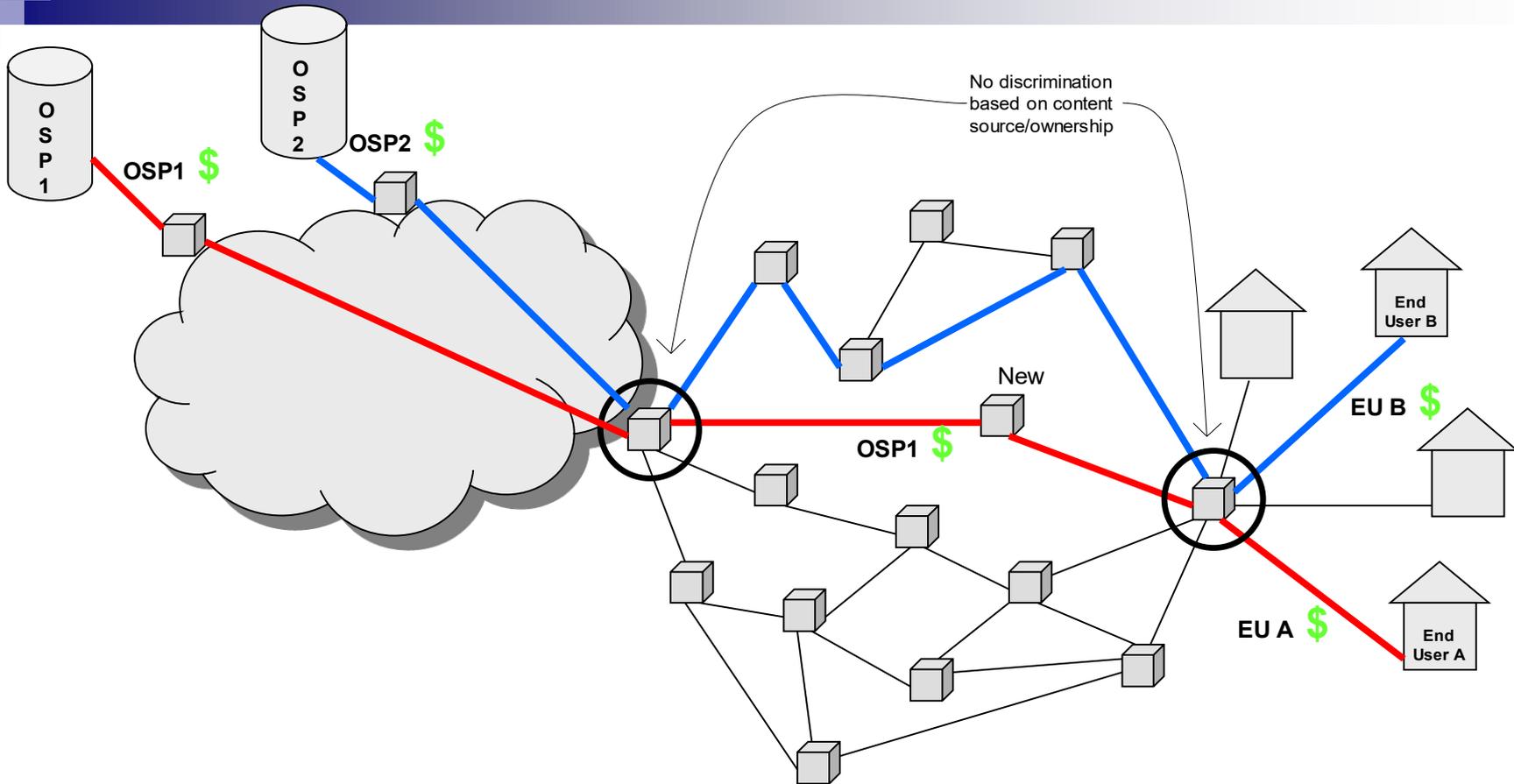


Private network carrying OSP1's content, etc.  
 (by, e.g., Level3, or RAND by net op)

## OSP Paid RAND Private Net Injection



User Paid QoS (“turbo button”)?



## OSP Paid RAND QoS?

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