

**REMARKS OF
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Thank you to Dick Wiley and Patrick Maines for inviting me to join you tonight. Let me also add my voice to the chorus congratulating Bob Pittman and John Riccitiello for their awards this evening. Masters of all kinds of media, it is a privilege to share the stage with them. It is also good to see my colleague, Chairman Julius Genachowski, in attendance tonight. And it is a treat to be here with Senator Roger Wicker, who I had the privilege of working with during my days as counsel on Capitol Hill.

One more preliminary. Let me thank The Media Institute itself. For more than three decades, The Media Institute has been a champion for freedom of speech, competitive media markets, and excellence in journalism. Powerful subjects, all. But I think the most stunning testament to its power is that year-in, and year-out The Media Institute gets so many people to turn out in tuxedos—on a Wednesday night.

I want to start by noting that this year we celebrate two anniversaries.

It was twenty years ago that The Media Institute presented its first Freedom of Speech Award. The recipient was none other than Dick Wiley. The other seminal event two decades ago was passage of the Cable Television Consumer Protection and Competition Act of 1992. Dick, both you and this law have helped shape the communications landscape. Unlike you, however, the age of our communications legislation is beginning to show.

And how could it not be? Communications technology is changing at a breathtaking pace. Laws and regulations struggle to keep up. After all, in an instant, innovation can invert what we think we know.

So before looking forward tonight, I want to take a minute to look back. Let's take a brief tour of the media ecosystem two decades ago.

The obvious place to begin this journey is the Internet. In 1992, the World Wide Web consisted of about 1 million connections and about 50 sites. Using a dial-up connection of 14 kilobits per second, you could click through the full bounty of the "information superhighway" in a little more than an hour.

Contrast that with today. There are 2.3 billion people online world-wide. They have access to 625 million websites. A tour of the full scope of the content—good and bad—on the Internet is impossible. But today, at least you could do it in style. More than 80 percent of the country now has access to fixed speeds of 100 megabits per second, courtesy of DOCSIS 3.0. And you could do it on the go. After all, mobility is remaking our broadband markets. We now

have more mobile phones than people in this country, and the data they consume is multiplying at a dizzying rate.

Next, let's talk computer processing power. Two decades ago, four gigabytes of memory would have cost you a hefty half of a million dollars. That means if the iPod Nano was available in 1992, it would have cost the sixteen-year old Beastie Boys fan between \$1 and \$2 million dollars. Two decades later, Moore's Law has delivered this device light years closer to the allowance of the typical teenager.

Finally, let's talk content. In 1992, odds were when you were looking for entertainment you turned on the television and turned to TV Guide. You were probably watching Roseanne or Murphy Brown, or maybe the first season of The Real World, that early classic in the reality television genre, for which we have Bob Pittman's successors at MTV to thank. But twenty years hence, for reality television and a whole lot else, we turn to our tablets, computers, and phones. We look for entertainment content we want, when we want it—on any screen handy.

When it comes to news content, the 1992 story is similar. News came in every market from a handful of stations. Newspapers brought us "All the News That's Fit to Print"—exclusively in print and on paper. Contrast that with today. Every person with a smart phone is now a potential reporter, photojournalist, and videographer.

All of this adds up to a lot of change. We have the dynamic combination of broadband Internet speed, computer processing power, and content and information anytime and anywhere. We are all consumers, but we can also all be creators. What was once reserved for Gutenberg is now granted to each of us through the power to hit send. This collapses geography and expands output. At the same time, it makes quality content and newsgathering an especially precious thing.

But before we parade off to the digital future thinking that it will never share the hallmarks of our analog past, let's look at some even more recent metrics.

Say that today, this very moment, you want to reach every adult in America. You want to make an impression on every household. More than that, you want to do it to convince them to buy what you are selling. What medium would you use? How would you do it?

This is not just theoretical. You see, last week we had an election. Candidates across the country were selling us a bill of policy goods. And across the country we voted. How did they try to reach us?

The numbers are surprising. According to Wells Fargo analysts, of the nearly \$6 billion spent on advertising in the 2012 election, the largest share went to traditional media. Fifty-four percent went to local television broadcasters. Eighteen percent went to old-fashioned direct mail. Eleven percent went to a mix of radio, newspapers, and billboards. The all-powerful Internet? Just 6 percent.

In the days to come, data crunchers and election experts will slice and dice these figures. They will search for meaning and political prophecy. But for now here is what I divine from these numbers: We live in transitional times. Migration from now to the next is still underway. New and old forms of media coexist, and consumers rely on both.

So in these transitional times, what should guide media policy in Washington?

First, we want consumers to have choices. Our policies should always seek to increase voices and enhance opportunities for content distribution.

Second, competitive markets are fundamental. Nothing inspires private sector investment and innovation like competition.

Third, universal access matters. As more content, entertainment, software, and social and political discourse is digitally delivered, access to broadband becomes more important for both prosperity and equal opportunity.

Fourth and finally, we may be entering a new world of media, but old values still matter. For more than 200 years the First Amendment has made us the world's most fertile location for innovation and creation. Likewise, we have a long legal history of protecting intellectual creations. Digital distribution presents new challenges, but piracy is old-fashioned theft. Journalism, the age-old art of digging stuff up, is what keeps us honest and merits our support most when it shows us at our least. And as a nation that has always cared about the next generation, we still need to care about providing children with quality content.

We cannot and should not forget our values as we rush to embrace the new. I know that the creative output of this country will come from all quarters—new and old, broadcasting and broadband, offline and online. May they all flourish. And may The Media Institute not be shy in sharing its views in the coming years. On that last point, I'm actually quite confident.

Thank you.