Opening Statement of Lawrence E. Strickling

Nominee, Assistant Secretary of Commerce For Communications and Information

Before the Committee on Commerce, Science and Transportation United States Senate

May 19, 2009

Mr. Chairman, Senator Hutchison, and distinguished Members of the Committee, my name is Lawrence Strickling and I am appearing before you today as the nominee for Assistant Secretary of Commerce for Communications and Information. Thank you for considering my nomination and for giving me the opportunity to appear before you today to introduce myself and answer any questions that you have for me.

I want to thank President Obama for nominating me for this position and to thank Secretary Locke for his support of my nomination. I would also like to take this opportunity to acknowledge and thank Anna Gomez, Deputy Administrator at NTIA, and Senior Advisor Mark Seifert, who have led the agency's efforts since February. From all reports, they have done a magnificent job with respect to the digital television transition and the implementation of the broadband grants program established by the American Recovery and Reinvestment Act and they both deserve our thanks.

I have spent more than twenty-five years in the communications sector of our economy. My first involvement was in 1983 when I was a member of a team of lawyers assembled to advise the yet-to-be-named Midwest Baby Bell that would be created by the break-up of AT&T in 1984. I later joined that company, by then known as Ameritech, and served as a senior executive in the company in the law and public policy departments, living through the industry transformation that followed the Bell breakup and the debate and passage of the Telecommunications Act of 1996.

In 1997, at the invitation of Chairman Reed Hundt and soon-to-be Chairman Bill Kennard, I joined the staff of the Federal Communications Commission to work on the nation's transition to a more competitive telecommunications marketplace and to develop new tools, primarily in enforcement, to deal with the rapidly changing market conditions. During my tenure at the Commission, where I served as Chief of the Common Carrier Bureau, among other positions, the FCC granted the first long distance licenses to the Bell companies—Verizon in New York and SBC in Texas—and we made much progress in protecting consumers from the twin scourges of "slamming" and "cramming" that became widespread at that time.

Since 2000, I have worked for a handful of telecommunications companies of varying sizes, each with their own product offerings and business strategies. None survives as a stand-alone company today. I believe these experiences with an assortment of communications companies and my previous government service at the FCC provide me a unique background for the position of Assistant Secretary. I have worked for what was one of the largest and most heavily-regulated companies in the industry, Ameritech, as well as for a fledgling unregulated startup, CoreExpress. I have seen companies succeed in this industry and I have shared the heartbreak of employees who have lost their jobs when their company failed.

The lessons I have learned from these 25 years of experience will not surprise anyone. First, the communications sector of our economy, as a potential source of growth and innovation, impacts every other part of the economy. Advances in

communications can improve the competitiveness of all American businesses whether they are in health care, energy or any other line of business. Second, this growth and innovation is possible only if there is capital available for both incumbents and entrepreneurs to commercialize their ideas. Obviously, this is a particular challenge today but government can help encourage investment by providing a stable and predictable regulatory landscape. Third, we must do everything we can to ensure that all Americans have access to modern communications services. The Internet plays such an important day-to-day role in the lives of so many of us that those of our citizens who are not connected risk being left behind—in terms of getting a modern education, competing for high-value jobs, receiving health care—and in so many other ways.

Congress has entrusted NTIA with many important responsibilities, ranging from managing the government's use of spectrum to Internet governance to implementing the broadband grant program established by the Recovery Act. While each of these tasks is important in its own right, NTIA should ensure that everything it does supports the priorities of Secretary Locke and the Administration to help the economy recover as quickly as possible and then to support the larger mission of the Department to promote commerce, particularly through encouraging growth and innovation in this sector.

If I am confirmed, NTIA will perform its responsibilities with clarity, common sense and creativity and always with the goal of promoting our overall economy through the growth and innovation that the communications sector can deliver.

In closing, let me once again thank you and the Committee for the opportunity to be here today. You have my commitment that I will work with each one of you as well as members of your staff to address the challenges facing our technology and telecommunications sectors.

I will be happy to answer any questions you may have for me. Thank you.