

Statement for Justine Bateman
Founder, FM78.tv
United States Senate
Committee on Commerce, Science and Transportation
Washington, DC
Tuesday April 22, 2008

Thank you Chairman Inouye, Vice Chair Stevens, and other members of the Committee. I first want to thank you for all your service to this country and I am honored to have been asked to testify today. Net neutrality and an open online marketplace are critical to the future of the Internet and to the preservation of our rights.

My name is Justine Bateman and I'm an actress, writer, and producer. I have acted in many projects, from TV's "Family Ties" to more recently, "Desperate Housewives," and I am a founding partner of FM78.tv, a new on-line media venture.

When I started acting in the early 1980s creativity in TV and film was still rampant and innovation of ideas and performance were exalted. The demise of this creative setting is directly proportional to the increase of media consolidation, which is in large part due to the repeal of the financial interest and syndication rules. Now we have too many executives and too many notes given until there is no artistic voice, no point of view, and little entertainment value left in the projects we work on. On top of this there are fewer jobs. In today's TV market a show like Family Ties, may never make it to TV. Media companies not only have a monopoly over distribution, they then insist on ownership and

control of content which strongly interferes with the production of hi-quality, creative product.

Corporate consolidation has actually pushed the audience away from the traditional media outlets and driven them to the Internet and video gaming world. In May of 2007, the online video market reached 8 billion streams. Download revenue from TV and film is expected to reach \$3 billion by 2010. And gaming has reported a \$17.9 billion in revenue for 2007.

That is why a few months ago, I, along with three other content creators, started FM78.tv- to make and distribute professional, high-quality content directly for the Internet. We hope we can find a faithful audience on-line as other Internet innovators have and not be stymied by a private taxation, if you will, by the telecom companies. The Internet has been defined by innovation; the Internet itself was a product of American innovation. Google was created in a garage by two college students. EBay was created by a hobbyist. How successful might those two sites have been without the freedoms we enjoy on the Internet today?

In entertainment, I believe we are on the verge of a creative renaissance and the Internet is the new grid upon which this renaissance can rest, because unfortunately the business grid of TV and film today cannot support that. Traditional media is now like a pool over which a pool cover has been placed causing those wild ducks that used to swim around in your pool to go elsewhere. (True story about my pool. I'm sorry we don't see those ducks

anymore.) Those ducks now I'm sure have found an open body of water in which to swim, much like we content creators have been found open distribution on the Internet. And the idea of your site succeeding or failing based upon whether or not you paid the telecom companies enough to carry your material or allow quick access is appalling. Honestly, I can't help but think of extortion when I imagine that kind of arrangement.

Net neutrality will allow for we creators to continue owning and controlling our content in a way that we have not been able to since the repeal of the financial and syndication rules. A whole new class of small business owners will emerge, providing thousands of new jobs in a sector that desperately needs them. And with innovation comes competition. Net neutrality would insure a level playing field for that.

I have heard the arguments against net neutrality.

First and foremost, net neutrality is NOT government regulation. By requiring the telecom companies to allow access and to not discriminate against any legal content on the Internet, the government is clearly stating its intention for all Americans to continue to freely access content on the Web.

Secondly, piracy is obviously a major problem around the world and of course the Internet has exacerbated the problem of illegal downloading. I applaud the work of the MPAA, the Copyright Alliance and others to insure creators are protected.

I understand the threat of piracy; that the content I create can be stolen. All new content creators understand this. But the solution is not establishing new rules that may prevent me from competing at all.

Instead, let the market continue to find solutions, such as digital watermarking, and to find ways to generate income from sponsors that decrease the financial problems of piracy but does not restrict competition.

In conclusion, I want to tell you that I am a big fan of capitalism. I know these companies here want to make money, as do I. They are after all being responsive to their stockholders and their interests. But trying to constrict Internet access? I don't believe that that is a viable revenue option. Frankly, and not to steal any thunder from the Christian Coalition, but the idea of these Corporations coming together to constrict access reminds me of the story of the Tower of Babel where large forces conspired to unite and to do what they pleased. The fear was that "now nothing they propose to do will be withheld from them." (Gen 11:4). Well, we all know how that story ended. Finally, I don't believe for a second that any of you want to block or constrict the flow of information, education, or creativity to the American people and I hope your support of net neutrality will dramatically illustrate to the American public your continued support of their freedoms. Thank you very much for your time and for the honor of addressing you all.
