



This story appeared on Network World at
<http://www.networkworld.com/news/2006/013006-net-neutrality.html>

Net neutrality debate heating up

By [Denise Pappalardo](#) and [Jim Duffy](#), *Network World*, 01/30/06

If they haven't already, enterprise network executives should sit up and take notice of the debate swirling around network-neutrality rules, industry experts say.

If incorporated into law or federal regulations, network-neutrality principles could prevent ISPs from charging premiums to give priority to the traffic of their preferred customers and from blocking or slowing applications such as VoIP. Congress is considering making network-neutrality principles law as it debates communications reform this year, but some large backbone providers oppose legislation.

Whether such rules will be adopted remains unclear, which has one IT executive concerned.

"I'm afraid that net-neutrality legislation will put the content of the Internet in the control of broadband providers," says Jason Hittleman, vice president of information systems at RKA Petroleum in Romulus, Mich. "This will have serious impacts on enterprise users . . . by enabling centralized control of content. I also believe that pricing will become an issue because the model will limit the number of available providers, thereby reducing or eliminating variety and competition."

Although analysts believe it's unlikely that service providers would render any particular Web applications or classes of them completely unavailable, no one knows how the issue will play out. What is feared is the emergence of an application class system and even higher service rates.

With so many employees working outside of the main office, resolution of the issue promises to affect most businesses. According to Nemertes Research, 90% of employees do not work at their company headquarters. "The number of virtual workers has grown by

800% over the past five years," says Johna Till Johnson, president of the consulting firm and a [columnist for Network World](#).

In many cases these employees are connected to their corporate offices by consumer DSL or cable modem Internet access services. "Many businesses do not realize how heavily reliant they are on consumer broadband services," Johnson says.

At the center of the debate is whether Internet backbone owners should be allowed to charge content providers such as [Google](#) or service providers such as [Vonage](#) for using their networks. [BellSouth](#) is one provider that backs this idea.

"We still believe that content providers like Google Earth would pay a small amount to give their service a priority. And certainly, we think the same with the movie studios," says a BellSouth spokesman. "What the impact would be is, if we are prohibited from recouping our costs somewhere, the Internet slows down because there's so much traffic. As traffic increases, we have to increase our capacity. And somewhere along the line we've got to make a business case for that."

The backbone providers contend that if a VoIP provider paid a fee to AT&T, for example, it could be guaranteed a premium level of service. But what happens if your VoIP provider isn't paying for top-shelf service?

Despite concern that certain traffic could be slowed, the FCC has made it clear that blocking traffic altogether will not be accepted. About a year ago the FCC started an investigation into allegations that a rural local exchange carrier (LEC), Madison River Communications, which offers service in Illinois, North Carolina, Mississippi and Louisiana, was blocking VoIP traffic. In March the FCC and the LEC came to an agreement and [the FCC issued a consent decree](#) whereby the service provider paid a \$15,000 fine and agreed to stop blocking VoIP traffic.

One way users can protect themselves is to inventory all of their Internet-based applications, share it with their ISP and then get the ISP to promise not to block or slow that traffic, Johnson says.

Users also have to keep a close eye on how this issue develops, because it has the potential to increase telecom service prices, says Thomas Nolle, president of consultancy CIMI Corp.

Nolle points out that carriers are trying to find a way to balance the cost of keeping their networks running optimally as traffic demands continue to increase. "If you can't come up with a cost balance that is workable . . . the carriers will under-invest in infrastructure," he says.

"Unenlightened regulatory policy ultimately ends up stifling investment," he says. "It either raises costs for business for cross-subsidization, or it reduces infrastructure investment, which disqualifies a whole bunch of services that people think they wanted."

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