

## OPENING STATEMENT

**The Honorable Ben Quayle (R-AZ), Chairman**

Subcommittee on Technology and Innovation

*Avoiding the Spectrum Crunch: Growing the Wireless Economy through Innovation*

April 18, 2012

Good Afternoon. I would like to welcome everyone to today's hearing, which is being held to review efforts to ensure the innovative use of spectrum and the continued expansion of the wireless economy. This Subcommittee is uniquely positioned to address issues facing high-growth industries, and today's hearing is a continuation of our series focused on advancing U.S. innovation.

The U.S. wireless industry has been experiencing exponential growth. There are entirely new jobs and sectors of our economy, like the "app" market that we never envisioned a few years ago. Our wireless industry is the most competitive and innovative in the world, in part because it has been able to operate under flexible, market-driven policies, unfettered from excessive government intervention. These policies encourage mobile companies to compete by providing innovative, user-friendly services and offering consumers the best possible experience. Thanks to a cycle of innovation and competition, U.S. consumers win.

In recent years the number of active spectrum frequency authorizations at both the Federal Communications Commission (FCC), and the National Telecommunications and Information Administration (NTIA) has dramatically increased. In fact, at both agencies, there are twice as many spectrum assignments now as there were in 1980.

As spectrum has become more crowded, it is necessary to ensure that it is being used as efficiently as possible, and that we have the policies in place to encourage industry's continued investment and growth. Maximizing the yield and availability from this essential resource will continue to help create jobs and encourage innovation.

The U.S. wireless economy has experienced tremendous growth, with subscriber connections growing from 38.2 million in 2006 to 322.9 million in 2011. Growth in data traffic has been even greater as modern devices, such as smart phones and tablets, are much more data intensive. This massive data growth exacerbates the strain on spectrum availability.

Advances in technology have always kept ahead of the demand for spectrum – but, now, as demand for spectrum is growing more rapidly, the technical advances needed may be "pushing the envelope" of practicality, at least in the short term.

To ensure the future growth of this dynamic sector, it is imperative that research and development efforts continue to identify more effective ways to utilize spectrum. We also need to ensure that government policies are not creating impediments and that we are creating an environment where companies will continue to invest in new technologies.

Our hearing today should highlight specific efforts by both the Federal government and industry to address the spectrum challenges within our Subcommittee's jurisdiction, and to enable the continued growth of the wireless economy through innovation.