

Oral Testimony by Robin Chase, CEO  
GoLoco, Founder and former CEO of Zipcar

Chairman Walden, Ranking Member Eshoo, and members of the Subcommittee, thank you for this opportunity to discuss the importance of network neutrality rules to job creation, economic development, and innovation. My name is Robin Chase and I am the founder and former CEO of GoLoco, an online ridesharing community; the founder of Meadow Networks, a consulting firm that advises government about wireless applications in the transportation sector; and the founder and former CEO of Zipcar, the world's largest carsharing company.

When I received the invitation late last week to testify before this Committee, I was working across the Atlantic and later this afternoon I will fly back. Despite the significant resources and travel time it took to come here, I accepted the invitation because the course of action Congress is considering -- namely repealing and eliminating the authority of the FCC to enact policies that preserve an open Internet -- will *harm* our country's ability to innovate, produce jobs, and remain competitive in the world marketplace. And I care deeply about that.

Eleven years ago, I co-founded Zipcar. The idea behind the company was to make renting a car as simple as getting cash from an ATM, and free and open access to the Internet was central to the company's existence. It is only because of the ease, speed, and zero marginal cost of finding, reserving, and unlocking a car that anyone would be willing to rent a car for an hour, or to sell only an hour of a car's time. Without an open Internet, Zipcar simply would not exist.

Eliminating the FCC's network neutrality rules will put future entrepreneurs and small businesses at a significant disadvantage. It will permit the telecommunications industry to define the Internet.

I would like to draw an important parallel. Imagine for example, if Zipcar had been forced to rely on the auto industry's definitions of car ownership – or worse yet, had to ask their permission in order to execute. Our vision of a fleet of personal cars being shared among unconnected individuals would have been implausible and threatening.

Likewise, we cannot rely on the telecommunications industry to define the Internet. Without a public policy, they will define the Internet as their preferred “triple play” – their telephone service, their video service, and their idea of your ideal Internet experience. And they will seek to squash any service that threatens their revenue stream. Such an approach is a perfect recipe for stifling innovation.

This is not just mere speculation about the potential for short-sightedness but rather firsthand experience. During the initial years of Zipcar the wireless industry simply would not think outside of the box. When we first approached them for a data plan in 2000, we were met with blank, non-responsive stares. I recall many representatives not actually understanding the difference between purchasing “kilobytes” versus purchasing “minutes.” The industry had only one vision of wireless use and therefore only one product to sell. We were either a cell phone or we did not exist.

Innovation is the life blood of a competitive economy and the Internet is the circulatory system that carries this vital source to the whole. An open Internet gives everyone access, and the ability, to apply new ways of thinking to problems in discipline silos that often do not get new thinking applied to them. And especially important to entrepreneurs, the open Internet allows for extraordinarily low input costs, which allows them to efficiently tap into unused excess capacity, and multiply ideas across the network at virtually no cost.

Ensuring that the Internet can continue to perform this function of promoting innovation is the reason we are having this debate. I absolutely agree that excessive regulation stifles innovation and prevents free markets from innovating. BUT.

The most important thing I have to say to the committee, and the reason I have flown so many thousands of miles, is this:

The public policy enacted by the FCC helps ensure an open Internet. It is not excessive regulation that will stifle innovation but rather a policy that prevents excessive regulation by powerful telecommunications companies who do not have an interest in enabling and promoting innovation.

Indeed, I think the FCC's rules actually did not go far enough, especially with respect to wireless: The idea that different rules should apply, and that my experience of the Internet would be different depending on whether I was sitting at my desk at home connected, or on a park bench accessing those pages wirelessly is nonsense. And it dramatically complicates life for innovators and entrepreneurs.

If Congress wants to truly unlock the economic and job creating potential of the Internet by fully tapping into the innovation potential of our country, it should do so by fixing the FCC's rules in this regard, rather than repealing them.

Twenty years ago, no one was thinking that the Internet would be used to share small numbers of cars among large numbers of people. I don't know what brilliant and unexpected uses the Internet will enable tomorrow. No one does. That is why it is critical to make sure that the fundamental characteristic of the Internet— its ability to accommodate, adapt, and evolve – remains as open as possible. It is crucial that there is a public policy by the FCC and Congress that ensures this outcome. Protecting the Internet by defining it as broadly as possible, and letting the FCC protect it from oligopoly interests, is in America's best interest.

Thank you again for inviting me to testify. I look forward to your questions.