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February 13, 2008

The Honorable Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12th Street, SW, Suite TW-A325 Washington, D.C. 20554,

Re: WC Docket No. 07-52; DA 08-91, DA 08-92

Dear Secretary Dortch:

The National Association of Realtors® (NAR) appreciates the opportunity to comment on the Petition for Declaratory Ruling that the practice of degrading peer-to-peer traffic violates the FCC's August 2005 Policy Statement on Broadband Internet Access¹ and is not reasonable network management. We also comment on the rulemaking proceeding to clarify what constitutes "reasonable network management" by broadband network operators.

Digital technologies such as peer-to-peer networks, video marketing tools and web-based phone services are becoming increasingly important to NAR's 1.3 million members to efficiently run their businesses. Increasingly, Realtors® today are relying on video to market properties. New innovative services and business tools such as You Tube, Wellcome Mat and *ZIPVO (zipvo.com)* are being used by our members and demonstrate how video distribution is changing the way real estate is sold. These web applications allow real estate agents to post video of themselves presenting a home in the exact way they would if they were showing you a house in person. In this way, a buyer located in Los Angeles has the ability to view properties located in Chicago.

More importantly, however, there is no way to predict which current or future technologies our members may wish to use to distribute video content in the future. As a result, NAR seeks to ensure that all lawful technologies are available for our members' use over broadband networks without discrimination.

The FCC's Policy Statement sets forth that "consumers are entitled to run applications and services of their choice (subject to the needs of law enforcement.)" We understand the need for broadband providers to engage in network management to provide quality service to subscribers; after all, Realtors[®] and their clients are broadband subscribers. NAR does believe that the FCC must ensure that such network management does not create anticompetitive results.

Published reports indicate that Comcast actively interfered with attempts by its high-speed Internet subscribers to share files online with certain peer-to-peer file sharing technologies. This practice of discrimination against a specific technology goes beyond what can be considered reasonable network management. The Commission should rule that it is a violation of its policy statement when a broadband service provider degrades a specific application.



¹ Appropriate Framework for Broadband Access to the Internet over Wireline Facilities, Policy Statement, 20 FCC Rcd 14986 (2005) (Policy Statement).

Without regulatory oversight and enforcement by the Commission, the actions outlined in this petition have anti-competitive implications for future competition and innovation in video distribution services over the Internet. Uncertainty over network providers' authorization to degrade specific technologies of their choosing may chill innovation in video distribution technologies to the detriment of businesses and consumers alike. Moreover, unless the FCC exercises proper regulatory authority on a case-by-case basis, additional overly broad or burdensome legislation may result.

Thank you for the opportunity to comment on this very important issue. If you have any questions or concerns, please do not hesitate to contact Scott Rinn at (202) 383-7508, <u>srinn@realtors.org</u>.

Sincerely,

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Joseph Ventrone Vice President, Regulatory Affairs and Real Estate Services