

March 31, 2020

Communications Network Providers Win Praise from Trump, Carr

President Trump praised communications network providers today for ensuring that Americans stay connected during the coronavirus pandemic, including by bolstering network capacity and agreeing not to terminate service to customers because of their inability to pay.

Mr. Trump spoke by telephone this afternoon with executives from eight carriers on their response to the pandemic, according to a White House statement.

“President Trump thanked them and their staffs for their tireless work to keep Americans connected during this time of social distancing,” according to the statement. “While Americans are using the internet to work, learn, shop, and connect with loved ones at unprecedented rates, our free-market based networks remain strong, secure, and the envy of the world. The President thanked these leaders for not only rising to the increased demand, but extending services to all Americans at no additional cost and for waiving bills and late fees for those experiencing financial hardship. President Trump thanked network service providers for joining other industries like manufacturing, banking, technology, and healthcare to answer his call for an all-of-America response to this pandemic.”

The White House said that carrier executives on the call were Michel Combes, chief executive officer of Sprint Corp.; Dexter Goei, CEO of Altice USA; John Malone, chairman of Liberty Media; Brian Roberts, CEO of Comcast Corp.; Thomas Rutledge, CEO of Charter Communications, Inc.; Mike Sievert, incoming CEO of T-Mobile US, Inc.; Randall Stephenson, CEO of AT&T, Inc.; and Hans Vestberg, CEO of Verizon Communications, Inc. Also on the call was Aryeh Bourkoff, CEO of LionTree LLC, an investment and merchant banking firm that invests in the media, technology, and telecommunications sectors.

Meanwhile, FCC Commissioner Jessica Rosenworcel today reiterated her call for the FCC to release daily updates on how communications networks are performing during the coronavirus pandemic.

In a statement for today’s FCC meeting (see separate stories), Ms. Rosenworcel said that “as more Americans are told to stay home, the FCC should study how broadband networks are faring under the stress of more intensive use and publish these findings daily. Broadband providers are facing unprecedented pressure to deliver reliable connectivity as more of our economy shifts online. The changes in broadband consumption may reveal weak points in the complex ecosystem of companies, services and products that make up the Internet. The FCC should use this opportunity to understand how our networks are performing and stay ahead of potential problems — because if we wait for those problems to be reported to us, it is already too late.”

A senior FCC official told reporters during a background call yesterday that the Commission has kept in close contact with network providers and so far networks have functioned very well. The official said that the FCC has encouraged the industry to release information on network performance, noting that some trade groups have begun doing so. He said the Commission has no plans to release network performance data.

For his part, Commissioner Brendan Carr said at today's meeting that he is pleased with the way networks have performed. "All the data is showing that our networks are strong, they're resilient and the surge of traffic we're seeing is well within the capacity of the U.S. networks," he said.

That has been the message from network operators even as the pandemic has worsened and more people have been confined to their homes.

AT&T, Inc., which said today that its network continues to perform well, reported that during a three-week period, voice calling on its mobile network was up 33%, instant messaging was up 63%, text messaging was up 41%, e-mailing was down 18%, web browsing was down 5%, and video usage was up 4%. The carrier also said that audio, web, and video conferencing tools saw 400% more minutes and large-scale webcast events increased 200%.

Verizon Communications, Inc., said that peak virtual private network traffic "was down 44% this past weekend over the peak VPN usage on weekdays. The report also shows a 2% increase in peak video traffic, a 7% increase in web traffic and a 3% increase in gaming over peak weekday traffic."

Verizon also said that it "is seeing a steady increase in Sunday morning collaboration tool usage (8 AM–12 PM ET), including a 163% increase between Sunday March 15 to the 22 and another 224% March 22 compared to this past Sunday. On the entertainment front, Fios TV customers are turning to Video on Demand content, with a 49% increase week-over-week."

Verizon also announced implementation of "a significantly enhanced compensation plan for the company's dedicated employees who must deploy outside their homes to meet critical customer needs. These mission-critical employees are unable to work remotely as they fulfill and repair broadband orders and connection issues, maintain networks and offer products to customers immediately and in person when deemed essential."

The carrier also said that more than 70% of its corporate stores are closed nationwide. "As part of a massive employee transition plan, the company is preparing to re-train and re-deploy thousands of its retail employees to work-from-home functions," it said.

Meanwhile, NCTA today launched the COVID-19 Internet Dashboard, which "is populated with aggregated data from cable internet service providers that deliver broadband to tens of millions of homes and businesses across the country and offers a dependable depiction of how cable broadband networks are faring," NCTA President and Chief Executive Officer Michael Powell said in a blog posting. "It will show growth and performance for both upstream and downstream traffic on a national as well as a state-by-state basis."

The dashboard shows that downstream peak consumer broadband usage is up 20.1% since March 1, while upstream peak growth has increased 27.7%. The dashboard said that elevated peak usage has been seen about 4% of the time while the rest has been normal peak usage.

“Typically, the peak period occurs in the evening when people are streaming entertainment; however, with so many now working and learning from home, some areas are seeing much more use earlier in the day,” Mr. Powell noted. “Regardless of how peak hours may shift, cable broadband networks continue to offer robust performance and cable ISPs are working hard to ensure that the network continues to perform well even with these changes in patterns and increases in usage.”

“We are seeing an unprecedented shift in network usage, but it’s within the capability of our network; and we continue to deliver the speeds and support the capacity our customers need while they’re working, learning, and connecting from home,” said Comcast Corp. “‘Primetime’ on our network (the busiest time of day) looks dramatically different today as the nation settles into new patterns. Since March 1, our peak traffic is up 32% overall and up 60% in some areas, but still within the overall capacity of our network. Downstream peak appears to be moving from 9 PM to between 7 PM – 8 PM, while upstream peak is moving from 9 PM to between 8 AM and 6 PM in most cities.” —Paul Kirby, paul.kirby@wolterskluwer.com

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